January 8th

Hon. Kathleen H. Burgess, Secretary,
Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Re: Case 13-W-0303-Proceeding on Motion of the Commission to Examine United Water New York, Inc.’s Development of a New Long-Term Water Supply Source

From: Martyn Ryan, Peggy Kurtz, Laurie Seeman, Alexis Starke, Robert Kecskes and Suzanne Barclay

Dear Secretary Burgess,

Please find attached comments related to united Water submission ‘Response by United Water New York Inc. to Issues Raised During the Public Statement Hearings’ dated November 8th 2008. United water presents Attachment 1 ‘Data Analysis for Water Resource Planning’ by Daniel Miller, Rockland County Department of Health, to support their submission highlighting water projections as a demonstration of need.

The attached comments provide an updated review of this data presented by United Water and demonstrate that united Water continues to use outdated data and prediction models to support their submission and reflects United Water’s continued use of irrelevant historical data to further their goal of a Desalination plant in Rockland County. Utilization of recent data 1990 – 2012 for projected models indicates there is no need for a new water supply well into the future.

Yours sincerely,

Martyn Ryan, Peggy Kurtz, Laurie Seeman, Alexis Starke, Robert Kecskes and Suzanne Barclay
A PROPOSED WATER SUPPLY STRATEGY FOR ROCKLAND COUNTY

ROCKLAND WATER COALITION
January 8th 2014

The Rockland Water Coalition is a partnership of over 30 local, major regional and national groups, including Scenic Hudson, Riverkeeper, Sierra Club, Rockland AARP and NYPIRG, that have come together to shape an economically viable and environmentally sustainable long-term water policy. The Coalition and its consultants have reviewed the technical issues and conclude that no major structural supply-side project is needed at this time. They have concluded that a demand-side strategy should be developed to meet Rockland County’s near and long-term water supply needs. This strategy will avoid the massive costs and environmental impacts of the $139 - $189 million desalination plant that is being proposed by United Water New York (UWNY) while simultaneously resulting in both economic and environmental benefits. There is time to implement this less expensive and more sustainable long-term strategy, as more accurate water demand projections based on current data show that Rockland will not need any additional water supply for at least ten years.

Contrary to projections, demand for water has not increased – in fact, it has decreased. The most recent data from UWNY’s August report show that water use has declined in Rockland County since 2007. This data suggests that demand would not exceed availability until well beyond when UWNY has projected – giving Rockland County ample time to implement sustainable water management plans and policies.

UWNY’s projections are over-estimating future demand. Based on demands going back to as far as 1970, and up to 2005, UWNY projected in 2006 that if these historical demand trends held in the future that average annual demand would surpass available supply by 2016 and that maximum (peak) day demand would surpass available supply by about 2018. Since demand can vary from year to year due to rainfall and development patterns, the higher demands estimated to occur in the future were compared to availability so as to evaluate potential “worse case” conditions. These higher demands are illustrated in the attached figures as the “upper 90% limit.” The Rockland County Department of Health used a similar method to estimate future demand. These projections formed the basis for the 2006 conclusion by UWNY and the Public Service Commission (PSC) that Rockland County would need a new long-term water supply project BY 2015. UWNY selected the desalination plant on the Hudson River to serve as that water supply project.

The 2006 projection was last updated in 2010 and has again been referenced in Attachment 1 of United Waters November 8th 2013 submission to the PSC. As shown, if the historical demand trends that go back to as far as 1970 are maintained in the future that average annual demand would surpass available supply by about 2017 or 2018 (Figure 1) and that maximum (peak) day demand would surpass available supply by about 2026 or 2027 (Figure 2).

The Coalition has, however, concluded that the UWNY projections are substantially inflated. Their projections include the use of historical demands (prior to the 1990s) that will not be replicated in the
future. Like many parts of the northeast, the decades preceding the 1990s represented an extraordinary period of intense suburban development of large single-family homes and individual businesses with expansive lawns. Since the 1980s, however, this form of suburban-type growth in the County has leveled off substantially, as has the demand for water. Due to the shrinking availability of undeveloped land, introduction of center-based development in land use plans, increasing aging of the population, and a host of other factors, development has evolved into a more compact form. The 2011 Rockland County Comprehensive Plan will continue to foster this type of development. For these reasons, demand for the period 1990 – 2010 represents more typical growth and demand patterns for Rockland. Figure 3) illustrates the stark difference in the rate of water increase from the 1981 – 1990 period and 1990 – 2013 period and supports the conclusion that data prior to 1990 is not indicative of current water usage or projected future water usage and should be excluded from the projection models.

Since 2010, furthermore, UWNY has not updated its demand trend analysis to include more recent demands. Over the last three years, water supply demand has significantly declined. Inclusion of these more recent demands in the analysis will affect the projected future trend.

The Coalition has performed analyses to estimate how the above factors can alter UWNY’s most recent demand forecast when demand would surpass available supply. An assessment was made to include the more recent demand data into the projections, which used demand data only up to 2009. In addition, the Coalition removed the pre-1990 demand data since the earlier demand data represented higher rates of growth as well as development patterns that will not be repeated in the future. Other than these two changes, the Coalition used the same method and demand data that was used by UWNY in its more recent analysis.

The revised projections that resulted from these two changes by the Coalition were rather dramatic. Average demand is now projected to exceed supply in about 2037 instead of 2017 or 2018 (Figure 1). The Coalition’s peak demand projection for when it would surpass available supply was delayed from 2027 or 2028 to 2032 (Figure 2).

While not included in the above analyses, other factors will reduce future demand in Rockland County. Well documented nationwide trends over several decades indicate that as fixtures are replaced water use will continue to decline substantially for some time. This natural replacement rate could easily be accelerated with initiatives implemented by UWNY and local governments. It is possible that future demand will actually be at rates less than the demands of the 1990s and 2000s.

In addition, if the proposed desalination plant is built, future water use may be reduced still further as a result of higher water rates. UWNY water rates are among the highest in the country and UWNY has already submitted a rate increase and surcharge request that together represent a 78% increase. If the plant is constructed, the even higher cost will undoubtedly serve as a deterrent to new homeowners and businesses to locate in Rockland, and an impetus for many current homeowners and businesses to conserve. The potential for the desalination plant to sit idle is not outside the realm of possibility.
Several other communities in this country built desalination plants that were subsequently rendered unnecessary, in large part due to the cost of water. Those communities have been saddled with the long-term costs of operating desalination plants at a loss.

In consideration of the mounting costs of desalination, the impacts on irreplaceable Hudson River ecosystems, increased greenhouse emissions, and increased vulnerability to storm surges as well as health concerns in regard to drinking water drawn 3.5 miles downstream from Indian Point, Rockland County has chosen to accelerate the development of the conservation policies recommended in its Comprehensive Plan. A Task Force is being formed that will take a two-phased approach, addressing short term concerns while the appropriate analysis is done to formulate and implement a long term water management policy. Given that it is evident that there is no imminent need for water, the County will do the kind of impartial analysis and planning that should have been done by UWNY years ago.

The first phase recognizes that demand projections are estimates that are subject to numerous uncertainties. While the possibility of demand exceeding available supply in the near term is extremely remote, prudent planning requires contemplation of the “worst-case scenario.” Thus, to err on the side of caution, the Task Force aims to implement within one year demand-side alternatives that would assure that demand will not outstrip supply in the short term. The Task Force will prioritize improvements to the County’s drought management plan that will adequately reduce demand by the amounts needed during future drought, and will develop model land use ordinances for the towns and villages to adopt in order to reduce future irrigation demand. In addition, the Task Force will request that the Public Service Commission order UWNY to implement improved conservation rates and accelerate its leakage reduction program. The objective of these initiatives will be to reduce current and near-term demand to serve as a “buffer” capable of meeting unanticipated supply issues.

At the same time, the Task Force will develop a comprehensive long-term demand-side plan within three years that will ensure an adequate water supply through at least 2035. Among the initiatives to be explored will be ordinances and incentives to reduce indoor water use, further reductions in existing outdoor water use, reclaimed water use, reductions to the passing flows of Lake DeForest, enhanced aquifer recharge, etc.

Rockland is overwhelmingly opposed to the desalination proposal. On October 1 and 2, over 1,600 Rockland residents and elected officials turned out for public hearings, expressing their objections to the desalination proposal. In addition, there were overflow public hearings before the New York State Department of Environmental Conservation in 2012, at which residents had to be turned away. About 26,000 residents have signed petitions to the governor, opposing the desalination proposal. Rockland’s top elected officials, including its Congressional representative, state legislators, and the Chair and Vice Chair of the County Legislature, have actively expressed their strong opposition to this project. The newly elected Rockland County Executive shares the above concerns and has indicated that he “stands ready to partner with the County Legislature to create a task force on water policy.”
Rockland has suffered a very serious financial crisis in the last few years. The State cannot saddle Rockland residents and businesses with unnecessary costs for a massively expensive, unnecessary construction project on top of the 58% rise in County taxes over the last three years.

The two graphs below clearly show that using demand data more representative of current and future growth patterns, Rockland has time for sound water management planning, with current supply more than sufficient well into the 2020s. Rockland’s elected officials, residents and businesses are asking the Public Service Commission to give Rockland the time that is needed in order to do the kind of short term and long term planning that is needed to ensure ample supply in the most economically and environmentally sound way, that will keep Rockland affordable, promote green jobs, and protect our environment.

See next pages for graphs.
Figure 1. Comparison of UWNY (black line) and Coalition (red line) average annual water demand projections: 1) UWNY, using 1981 – 2009 demand data (upper solid black line), forecast that demand would exceed available supply in about 2017 or 2018. 2) The Coalition, using 1990 – 2012 demand data (upper red dashed line), forecast that demand would exceed available supply in about 2037. The Coalition’s forecast is further into the future than UWNY because: a) it does not include pre-1990 demands that reflect the rapid suburbanization of Rockland (which will not be repeated), and b) it includes the lower demands of recent years.
Figure 2. Comparison of UWNY (black line) and Coalition (red line) maximum (peak) day water demand projections: 1) UWNY, using 1970 – 2009 demand data (upper solid black line), forecast that demand would exceed available supply in about 2026 or 2027. 2) The Coalition, using 1990 – 2012 demand data (upper red dashed line), forecast that demand would exceed available supply in about 2032. The Coalition’s forecast is further into the future than UWNY because: a) it does not include pre-1990 demands that reflect the rapid suburbanization of Rockland (which will not be repeated), and b) it includes the lower demands of recent years.
Figure 3. Illustration of the difference between the water usage from 1981 – 1991 (Blue Line) and 1992 – 2012 (Red Line) – this graph clearly demonstrates that water use prior to 1990 is not indicative of current usage trends and is not relative to future model predictions. Water usage increase has leveled despite continued increase in the population in Rockland County.