Statement of Commissioner Emily Lloyd New York City Department of Environmental Protection before the Senate Environment and Public Works Subcommittee on Transportation Safety, Infrastructure Security and Water Quality

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Good afternoon, Chairman Lautenberg, Ranking Member Vitter and Members of the Subcommittee. I am Emily Lloyd, Commissioner of the New York City Department of Environmental Protection (NYCDEP).

I greatly appreciate the opportunity to testify on drinking water. As you may know, one of NYCDEP's most important responsibilities is to manage the surface water system that provides potable water to approximately nine million people, or half of the population of New York State. Thanks to the foresight of my predecessors, the surface water system we operate today continues to provide extremely high-quality water at very moderate costs which, unfortunately, are increasing rapidly due to unfunded mandates and rising construction costs.

There are two simple reasons for the historically low cost of our drinking water: First, until the Surface Water Treatment Rule was promulgated in 1989, New York City's water required no treatment beyond chlorination and, at times of high turbidity, the addition of alum. Second, it flows downhill to New York City from reservoirs at a higher elevation upstate, thereby saving enormously on energy costs, since pumping is, for the most part, not needed to get water to customers in the first six stories of New York City's buildings.

Without sounding boastful, I think I can safely say the quality and taste of New York City's drinking water is widely admired by both water quality professionals, and by average New Yorkers and our guests. Most recently, at this year's New York State Fair, New York City's water emerged victorious in an unscientific -- but impartial -- competition sponsored by the State Department of Health and the New York Section of the American Water Works Association. The event raised awareness of the importance of clean, high–quality drinking water and also of the massive investment it takes to maintain our system and keep our watershed clean.

Our federal regulators have also acknowledged the quality of our drinking water. We are especially proud that last year, we were granted a ten-year renewal of the EPA Filtration Avoidance Determination (FAD) for the Catskill/Delaware Watershed, the two largest watersheds comprising our reservoir system. The FAD renewal doubled the previous five-year renewal, and New York is one of only five large cities in the nation that is not required to filter its drinking water. The FAD demonstrates EPA's confidence that our robust watershed protection will assure the continued delivery of safe, clean drinking water for years to come.

Watershed protection is one of the imperatives of New York City Mayor Michael Bloomberg's PlaNYC 2030, the blueprint for making New York City "greener and greater." Nineteen initiatives in the plan address water quality and the maintenance and upgrade of our water network, which will enable us to continue to reliably provide high-quality drinking water.

I know the subcommittee is interested in efforts taken by New York City to promote tap water consumption in preference to commercial bottled water or other beverages. Last year, DEP in conjunction with the NYC Department of Health and Mental Hygiene (DOHMH) conducted a public health awareness campaign on the benefits of drinking tap water. The multi-media campaign included posters on public transit, radio spots in Spanish and English, and the distribution of 50,000 reusable water bottles.

One of the goals of the campaign was to address the myth that tap water is somehow not as safe or desirable as bottled water or sweetened beverages. Part of our challenge is that for many of our foreign-born residents and visitors, it isn't a myth: the reality is that finding a safe and reliable source of potable water is a problem in many areas of the world.

Working again with sister agencies, we are now preparing a renewed campaign to expand awareness of NYC Water. Particularly since tap water is so often considered a default choice - something consumed when alternatives aren't available – the campaign emphasizes the true distinction between bottled water – environmentally deleterious, expensive and of variable quality – and tap water, particularly NYC Water – a superior product that is cheap, healthy, environmentally sound, safe and excellent tasting.

Of course supplying nine million people with high-quality drinking water comes at a significant cost, which is borne by our ratepayers. From 1972 until 1986, when the federal government was actively funding environmental work through grants, property owners had some relief from

rising water and sewer rates. Municipalities upgraded and federal assistance waned; now the primary means of federal support for wastewater and drinking water infrastructure is subsidized loans generated by grants from USEPA to State Revolving Funds. While the funds leverage bonds issued at lower interest rates, subsidizing the interest payments on capital expenditures does not have the same impact on reducing costs as grants. Furthermore, the amount of subsidized loans available is relatively small. An enhanced federal program of investment in water infrastructure could help relieve pressure for rate increases or permit acceleration of projects that must be deferred to out years, given the ever-increasing costs of project budgets.

If I may return to the subject of your bill, Senator Lautenberg – establishing standards for bottled water at least as protective as for drinking water – I believe it highlights the differences between tap and bottled water.

In June, Mayor Bloomberg signed on to a resolution of the U.S. Conference of Mayors supporting municipal water systems. The resolution draws some striking contrasts between tap water and bottled water: bottled water can cost 1,000 to 10,000 times what tap water costs the consumer; tap water is subject to more stringent testing requirements and still costs a fraction of bottled water; plastic water bottles are an ever-growing component of municipal waste; and their production and distribution consume tremendous amounts of energy. The resolution recognizes that there are going to be circumstances where municipalities, New York City included, will not have alternatives to bottled water, particularly in emergency situations. But we hope the resolution will erode the misperception that public water supplies are somehow less desirable than commercial bottled water. In fact, public

water supplies are one society's greatest assets; and tap water is superior to the quality of bottled water at a fraction of the costs, both direct and indirect. Aggressively promoting tap water raises citizens' awareness of the importance and quality of this resource. We them to tell their legislators that tap water is better quality and a better deal than bottled water, and that public water supplies are renewable national resources if we steward them properly.