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October 21, 2005

*Via Federal Express*

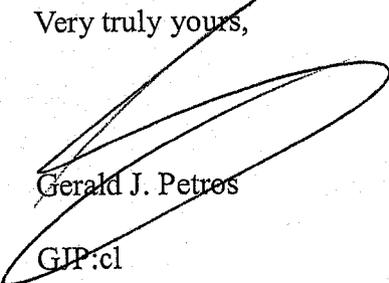
Luly E. Massaro, Commission Clerk  
Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**Re: City of Newport Water Division Rate Filing  
Docket No. 3675**

Dear Luly:

I enclose an original and nine copies of the Prefiled Surrebuttal Testimony of Walter J. McGlinn and Philip Driscoll submitted on behalf of Portsmouth Water and Fire District.

Very truly yours,



Gerald J. Petros

GJP:cl

Enclosures

cc: Service List

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(38210/125645)

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**PREFILED SURREBUTTAL TESTIMONY**  
**OF**  
**WILLIAM J. MCGLINN, P.E.**  
**ON BEHALF OF**  
**PORTSMOUTH WATER AND FIRE DISTRICT**

**Rhode Island Public Utilities Commission**  
**In re: Application for Rate Relief**  
**City of Newport Utilities Department, Water Division**  
**Docket No. 3675**

1 **Q. Please state your name and business address.**

2 A. My name is William J. McGlenn. My business address is 1944 East Main Road, Portsmouth,  
3 Rhode Island.

4  
5 **Q. Are you the same person that provided direct testimony in this docket on behalf of the**  
6 **Portsmouth Water and Fire District (PWFD).**

7 A. Yes, I am.

8  
9 **Q. Do you have any comments regarding the rebuttal testimony by Newport Water**  
10 **Department (NWD)?**

11  
12 A. Yes, I will comment on the water quality issues discussed in Ms. Forgue's rebuttal testimony.

13  
14 **Q. Ms. Forgue argues that the water quality issues should not be addressed by the**  
15 **Commission in this docket. Do you agree?**

16 A. No, I do not. In addition to the authority to regulate rates for utility service, RI General Law  
17 Section 39-1, Public Utilities Commission, gives the Commission broad authority to address  
18 quality of service, including matters of public health. In that regard, the Commission has the  
19 statutory authority to require NWD to make facility and operational changes to address water  
20 quality matters that affect all water users connected to the NWD system. The water quality  
21 issues raised by PWFD in this docket involve TTHMs and lead, both matters of public  
22 health. As in Docket No. 3578, PWFD is requesting that the Commission require NWD to  
23 construct its facilities and operate its system in such a manner to allow PWFD and the Navy  
24 to transmit purchased water through their respective water systems and meet EPA and Rhode  
25 Island Department of Health water quality standards. More specifically, PWFD is requesting  
26 that the Commission address the issues discussed in my direct testimony including water age,  
27 corrosion control and pH, and margin of safety

28  
29 It makes no sense from an economic or operational perspective for PWFD and the Navy to  
30 re-treat water produced by NWD, a regulated water utility. Clearly, the interest of the public

1 on Aquidneck Island lies in centralized treatment processes at the existing water treatment  
2 plants that comprehensively address water quality issues for all parties.

3 **Q. Doesn't RIDOH regulate these water quality matters?**

4 A. There is no question that the RIHOH regulates water quality for each public water system.  
5 However, RIDOH is limited in its ability to require facility or operational changes to a water  
6 system, such as NWD, to ensure that secondary water suppliers such as PWFD and the Navy  
7 meet water quality standards in their systems. The case in point is the three TTHM  
8 violations experienced by PWFD in 2002 and 2003. NWD was regularly selling water to  
9 PWFD at the wholesale meter that exceeded 80 ppb, which made it virtually impossible for  
10 PWFD to meet the TTHM water quality standard of 80 ppb in its distribution system.  
11 Consequently, PWFD was in violation of the TTHM standard for the fourth quarter of 2002  
12 and the first and second quarters of 2003. Nevertheless, since NWD did not exceed the  
13 TTHM standard in its distribution system, RIDOH was powerless to site NWD for a  
14 violation or require any remedial action.

15  
16 Unlike RIDOH, the Commission, through its statutory powers can take a system-wide  
17 approach to water supply on Aquidneck Island to ensure that the water users in Newport,  
18 Middletown, Portsmouth and Navy are not paying for redundant efforts to obtain water that  
19 meets water quality standards.

20  
21 **Q. Ms. Forgue indicates in her testimony that Newport is committed to providing safe  
22 drinking water for all its customers. Doesn't this address PWFD's concerns?**

23 A. No, it does not. Ms. Forgue has routinely stated that NWD can only be responsible for the  
24 water quality up to the wholesale meter. That approach is not in the best interests of  
25 Aquidneck Island's rate payers, as a whole.

26  
27 **Q. Ms. Forgue indicates in her rebuttal testimony that PWFD and the Navy criticized  
28 NWD's proposal to use chloramines as a secondary disinfectant to control TTHMs. Do  
29 you agree?**

1 A. No. PWFD did not criticize NWD's proposal, we merely raised questions of concern to  
2 PWFD. I believe the Navy did the same. In Docket No. 3578, I indicated in my surrebuttal  
3 testimony (page 9 line 4) that,

4 *"It is difficult to determine that chloramines are the answer based on the information*  
5 *provided by NWD. Unfortunately, the compliance evaluation prepared by NWD did not*  
6 *specifically address the impact of chloramines on PWFD or Navy distribution systems.*  
7 *In fact, neither PWFD nor the Navy were consulted during the study to review and*  
8 *discuss the proposed recommendations or their impacts."*

9 That was the reason that PWFD and the Navy requested an island-wide study. There was no  
10 indication that NWD would look at an island-wide solution or that the RIDOH would take up  
11 the concerns of the wholesale customers in its review of the proposed treatment changes.  
12 The Maguire study looked at the island-wide impacts of switching to chloramines and  
13 specifically evaluated the potential impacts to the wholesale customers, as well as to NWD.  
14

15 **Q. Do you agree that Maguire supports the NWD's decision to switch to chloramines?**

16 Yes. Maguire concluded that a switch to chloramines as a secondary disinfectant is the  
17 recommended strategy to reduce the disinfection by-products such as TTHMs. PWFD views  
18 this study as an important component to support the financial investment and public relations  
19 needed for the switch to chloramines. It can only help support NWD's decision to make the  
20 treatment change and all three suppliers' efforts to explain it to its customers.  
21

22 Nevertheless, as discussed in my direct testimony, Maguire made a number of findings and  
23 raised a number of issues with the conversion to chloramines that PWFD is concerned about  
24 and that NWD must address prior to the treatment change. The most significant is Maguire's  
25 conclusion that the NWD's corrosion control program is presently ineffective. PWFD is  
26 presently exceeding the action level for lead, a problem likely caused by NWD's corrosion  
27 control problem. PWFD does not treat the water purchased from NWD or do anything that  
28 would degrade its quality, but merely transmits it to its own customers. Immediate treatment  
29 action at the Lawton Valley WTP is needed to correct the pH variability and the resulting  
30 corrosion issues. We take at face value when Ms. Forgue indicates that NWD is looking at  
31 the variable pH with respect to the chloramines conversion. However, Maguire concludes in

1 its draft report, "In the interim (i.e., prior to chloramines – added by PWFD), the finished  
2 water pH variability problem (from the Lawton Valley Water Treatment Plant in particular)  
3 should be rectified **immediately.**" The Commission can help resolve this problem by  
4 requiring NWD to develop and submit a plan within 60 days to correct the pH variability and  
5 corrosion control problem immediately. An outside, independent party, such as former  
6 DPUC administrator and engineer, John Milano, can review the plan to ensure compliance  
7 with the order and to ensure that it reasonably and adequately addresses the problem. PWFD  
8 proposes that the Commission order NWD to move this up in its Capital Improvement Plan  
9 and spend the money on this project immediately.

10  
11 **Q. Is NWD addressing these concerns?**

12 A. We simply do not know. Ms. Forgue goes to great lengths in her testimony to explain all of  
13 the work performed to date by CDM on the chloramines issue. In doing so, Ms. Forgue  
14 implies that CDM has "continued working with Portsmouth and the Navy as they prepare to  
15 implement the short term solutions in their 2004 report." The fact of the matter is that since  
16 the kick off meeting in early December, 2004, there has been no communication from NWD  
17 regarding the findings of the work performed by CDM, the recommendations of the expert  
18 panel, the pilot studies, the consultations with RIDOH and the decisions that have been made  
19 that will affect the operations of all three island water systems. In essence, the extent of  
20 PWFD's knowledge on the CDM work comes solely from Ms. Forgue's rebuttal testimony  
21 almost a year after the start of the CDM work. In that time, the minor contact with CDM has  
22 revolved around obtaining a pipe sample from the PWFD system for testing. This lack of  
23 communication is not in keeping with the letter and the spirit of the agreement reached in the  
24 prior docket.

25  
26 The impact and potential problem of a conversion from free chlorine to chloramines is a  
27 significant issue for a public water supplier. PWFD and the Navy need to be included in the  
28 review of the work being performed by CDM on the treatment optimization and the  
29 chloramine conversion.

1 **Q. Ms. Forgue argues in her rebuttal testimony that a relocation of the PWFD connection**  
2 **would likely result in violations of drinking water standards. Do you care to comment?**

3 A. Yes. Ms. Forgue says "likely" and does not support this argument. If there is a violation, it  
4 would clearly be in the NWD system. Apparently, NWD prefers to sell "aged" water to  
5 PWFD rather than possibly subject itself to a violation of the drinking water standards. At  
6 the June 8, 2005 meeting with Maguire, NWD's response to relocating the PWFD connection  
7 was, in essence, that if PWFD was not drawing off the end of the NWD 4.0 MG reservoir it  
8 would create a water quality problem (stagnant water) in the reservoir. PWFD maintains that  
9 it should not be its responsibility to flush out the aged water from the reservoir so that NWD  
10 can meet standards.

11  
12 The increased water age due to the location of the PWFD connection after the 4.0 MG  
13 reservoir is a contributing factor in PWFD's current TTHM problem. Maguire has indicated  
14 that the increased water age from the reservoir may result in nitrification issues in the PWFD  
15 system after the switch to chloramines. The current connection is a problem for PWFD  
16 either way.

17  
18 PWFD will pay to move its connection point. The Commission should require NWD to  
19 modify its Capital Improvements Plan to make the necessary capital changes and order NWD  
20 to modify its operations to affect this change. Another alternative would be for a study of the  
21 issue to develop a solution that meets the concerns of all parties. This could be ordered by  
22 the Commission and be paid for from NWD's restricted capital account.

23  
24 **Q. In response to Maguire's recommendation that NWD establish a TTHM goal of 20%**  
25 **below the 80 ppb Maximum Contaminant Level (MCL), Ms. Forgue argues that goals**  
26 **of this type should be set by the EPA and RIDOH. Do you care to comment?**

27 A. Yes. And the fact is that EPA has set an MCL goal of zero for TTHM's.

28  
29 We endorse Maguire's recommendation. Consistent with Maguire's recommendation,  
30 PWFD is requesting that Newport be required to establish a treatment goal that is sufficiently  
31 below the standard to allow PWFD and the Navy to move the water through their respective

1 distributions systems and still meet EPA standards. Otherwise re-treatment will be  
2 necessary. For chloraminated water, the 20% recommendation by Maguire appears to be  
3 reasonable and sufficient. NWD's goal, as stated by Ms. Forgue, to minimize the formation  
4 of disinfectant by products does not go far enough.

5  
6 **Q. Does this conclude your surrebuttal testimony?**

7 A. Yes, it does.