Water privatization-threatening a basic human right

By Hope Taylor-Guevara and Mary Grant (2006 Stanback Intern)

Some of our North Carolina neighbors pay several times as much for their water and sewer service as other nearby residents hooked to city water! That would be unfair enough, but many of those folks who pay more live in affordable housing, survive on near minimum wage jobs and others are disabled seniors. High water charges only pile more economic pain onto residents struggling with economic and social obstacles.

Residents of multi-family housing developments, such as mobile home parks or apartments, are more likely to be served by some form of privately owned water supply system. NC’s Public Utilities Commission, which regulates privately owned utility companies, doesn’t take resident income into consideration when setting water rates. Landlords are seldom forced to take responsibility for fixing leaking water systems.

North Carolina has over 7,000 Public Water Supplies systems (defined as serving 25 or more people). However, these Public Water Systems can be publicly or privately owned. While most NC water customers get their water from systems that are publicly owned, 6,000 small Public Water Supply systems (having fewer than 500 customers) are owned by private individuals or corporations. Owners of mobile home parks or other “multifamily” residences often buy bulk water from a publicly-owned system (or pump water from a privately owned well) and deliver it to residents through separate meters. While some owners sell the water to residents at cost, many obtain a certificate from the Public Utilities Commission to sell the water at a profit. With part of the profits based on the volume of water sold, landlords have an incentive NOT to fix leaky pipes or fixtures. Residents can pay dearly for water they never get to use.

After receiving notice in 2005 that Monticello mobile home park owner Asheville Property Management (APM) intended to begin charging for water in addition to rent, the mostly Latino residents responded with alarm about the proposed increased costs. In a petition signed by most of the households, residents begged the NC Utilities Commission to refuse APM’s “franchise” water system and proposed rates. Since APM did not reduce the rent to compensate for the new water and sewer charges, residents said the new arrangement violated their original lease agreements, charging them twice for water service, but the Commission granted the franchise anyway.

As a result of high prices, lack of billing communication and failure to repair pipes, the resulting bills have caused homelessness in several mobile home communities visited during Clean Water for NC’s Water Justice Listening Project, including Neuse River Village outside of Raleigh. Bills are often over $100 per month for unreliable service and sometimes undrinkable water. Complaining residents are told they are wasting water, and service is turned off if they don’t pay accumulated charges. When health authorities learn of kids washing with neighbors’ hoses and relieving themselves in the woods, the residents are evicted from “unfit” housing. The owner of Neuse River Village’s water system is Aqua NC, a subsidiary of Aqua America, one of the most profitable corporations in the U.S.

Some of America’s earliest water supply systems were developed by private enterprises serving selected areas. But it was when publicly-owned systems acquired and extended those systems to serve everyone in an area that the major public health breakthroughs of the early 20th century gained momentum. Throughout the world, local and regional governments have shown that they can ensure affordable, safe water for all. By contrast, for-profit water companies have a primary mission to create profits for their investors, not service to protect a human right or public health.

In our wealthy nation, the impact of privatization on our poorest communities has been largely hidden. Please help CWFC work for state laws and utility regulation to reflect values that protect safe and affordable water for all as a human right!

Water Privatization is Accelerating in the U.S.

Latin America and other developing regions have learned hard lessons about the impacts of water privatization after being forced into it by the World Bank or International Monetary Fund (IMF). Encountering strong public resistance, corporations are decreasing their investments in such areas, but the U.S. is among the areas of rapid growth of privatization. Some large cities such as Atlanta have experimented with privatization and withdrawn from mismanaged contacts when they saw adverse effects on maintenance, service, public transparency and costs of water. A majority of American water consumers still say they prefer publicly-owned water. Here we dispel three myths that are driving an accelerating trend of privatization:

• Private systems are not more efficient: they often cost their customers more for service that is less accountable than a publicly owned system.
• Private systems do not have additional expertise for problem solving, in fact they are less likely to be networking with other systems to solve water quality problems.
• Privatization doesn’t increase investments to improve systems: privately owned systems were shown by an EPA study to invest substantially less for repairs and improvements, and they often lay off experienced staff to reduce costs.
Clean Water for North Carolina

Clean Water for North Carolina is a private, non-profit organization based in Asheville, NC. CWFNC works to ensure that all people have a right to live, work, and play in clean and safe communities. Together, we have the power and responsibility to work for a healthy and sustainable environment. Our staff works with an active and diverse board of directors and members to increase grassroots involvement in environmental decisions. CWFNC spearheads action statewide and helps grassroots and environmental groups, individuals, and local governments develop strategies to address threats to the environment.

Our Mission
Clean Water for North Carolina promotes clean, safe water and environments and empowered, just communities for all North Carolinians through organizing, education, advocacy and technical assistance.

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Who to Contact
Asheville
828-251-1291 • 800-929-4480
Gracia O’Neill, Outreach Coordinator
gracia@cwfnc.org

Durham
919-401-9600
Hope Taylor-Guevara, Executive Director
hope@cwfnc.org

Garysburg
252-537-1078
Belinda Joyner, Northeast Organizer

Jill Logeman, Duke Stanback Intern, Studies Energy Impacts on Water

Currently in the Masters of Environmental Management program at Duke University, Jill is specializing in conservation science and policy. She joined the Clean Water for North Carolina team through the Stanback Internship program and is thrilled to be working on research and advocacy related to energy production and water usage. Jill graduated from the University of Wisconsin-Madison in 2004 and hopes her continuing education at Duke will lead to a career in the environmental non-profit world. Those attending CWFNC’s 2006 Annual Meeting heard her compelling presentation “NC’s Energy Choices and How They Affect on Our Water Future.”

Jill recently moved to Durham, accompanied by her horse, Michael, her cat, Silk, and her boyfriend, Tim. In her free time, Jill enjoys riding Michael and learning about local environmental issues. Throughout her life, the environment has been an interest, and the more she learns about grassroots action impacting policy, the more enthusiastic she becomes. We’re delighted to have you with us, Jill!

Participants at the CWFNC Annual Meeting

New Board member DeWayne Barton challenges us poetically to make environmental democracy happen!

Oscar Sanchez, who lead CWFNC’s Water Justice Canvass which visited more than 150 homes across the state.

Tyler Shipman, a Hillside High School student from Durham, talks about her summer work with CWFNC’s Water and Energy for Justice Team.
Bottled Water – Is it really safer than municipal tap water?

In 2005, national sales of bottled water surpassed 7.5 billion gallons (26.1 gallons per person), which means bottled water is now second only to soft drinks in the US market and supports a $10 billion/yr industry. But is bottled water safer than public tap water? While bottled water is held to the same safe drinking water standards as municipal tap water, testing requirements are far less strict for bottled water – leaving one to wonder whether water that costs more than gasoline is even AS safe as more tested public water supplies!

Regulation of Bottled Water at the National Level:
The Food and Drug Administration (FDA) regulates bottled water while the Environmental Protection Agency (EPA) regulates tap water. Bottled water must meet the FDA’s water Quality Standards, and may contain small amounts of antimicrobial agents or fluoride (within FDA guidelines). Bottling plants must follow Good Manufacturing Practices to insure proper construction and equipment, sanitary conditions, and record keeping.

At the FDA, there is only one person developing and issuing bottled water rules and less than one assuring compliance with existing rules. A 1999 report by the Natural Resources Defense Council (NRDC) states that bottled water regulations are inadequate and that bottled water programs are “seriously underfunded”.

Testing requirements and purity standards are less strict for bottled water than for tap water, as the chart above illustrates. Water bottlers do not need to use a certified lab to test their water, are not required to report testing results, and operators are not required to be certified.

At the State Level:
If bottled water is packaged and sold within the same state (60-70% of water sold), state rules apply rather than FDA rules. In North Carolina, our state standards are the same as the federal standards and the North Carolina Department of Agriculture enforces them. They are not required to report to the FDA. Six inspectors, as part of their varied responsibilities, conduct unannounced inspections at NC processing facilities. Approval of new water sources is done by geohydrologists at the Department of Environment and Natural Resources’ Asheville Regional office. In 1998, 43/50 states had “fewer than one staff person dedicated to bottled water regulations.”

At the Trade Association Level:
To become a member of the International Bottled Water Association (IBWA), bottlers must agree to an annual unannounced inspection. Members can also adopt the Model Code - quality assurance standards that are stricter than state or federal rules but in most cases are not legally binding or enforceable. North Carolina Spring Water Association members (19) are listed at http://www.ncswa.info/index.html.

Is it healthier?
According to the NRDC, “No one should assume that just because water comes from a bottle that it is necessarily any better regulated, purer or safer than most tap water.” In fact, government and industry estimate that ¼ of all bottled water is actually bottled tap water, sometimes with additional treatment and sometimes not.

In general, several states that have conducted tests on bottled water and the NRDC, after four years of research, concluded, “most bottled water is of good quality but a minority of the bottled water tested contains contaminants such as nitrate or synthetic organic chemicals, in a few cases at levels of potential health concerns. Bottled water is not necessarily any better than tap water and vulnerable people and their care providers should not assume that bottled water is sterile.”

What do the different label names mean?

Drinking water/Bottled water = Calorie-free, sugar-free, and mostly sodium-free water sold for human consumption in sanitary containers with no chemical additives. Flavors, extract, and essences can be added but must be less than 1% by weight of the final product (if more, it is a soft drink).

Spring Water = water that naturally flows from underground to the surface of the earth. May be collected from the aboveground spring or from underground via a well adjacent to a spring.

Artesian Water = water in a confined underground aquifer in which the water level stands above the natural water table. A well is drilled, sometimes pumping is required.

Well water = water from an unconfined underground aquifer (ground water) that must be pumped to the surface.

Mineral water = has a constant level and relative proportion of mineral and trace elements when it is removed from its geologically and physically protected underground water source. No minerals are added.

Purified water = water that has been distilled, deionized, undergone reverse osmosis, or other treatment processes that cause the water to meet the USA definition of “purified.” This can be tap water that has undergone additional treatment.

Sparkling water = has the same amount of carbon dioxide that it had when taken from its source. (As opposed to adding CO2 as in soda water, seltzer water and tonic water which are considered soft drinks).

Municipal water = tap water that has been treated by the municipal drinking water treatment plant only. Bottlers are not required to disclose the source of the water, how well protected the source is, whether any studies have been done to assess its vulnerability, or how or whether the water has been treated.
Focus on Communities

Fighting for Rural Life and Safe Water in Laurel Valley

Madison County—Amidst the constant rumbling of bulldozers and a rock crusher high up on the mountain, residents of the Laurel Valley continue fighting to protect their rural way of life, including their pristine streams and groundwater. In August, Clean Water for NC worked with Laurel Valley Watch (LVW) to generate a crowd of 300 people at a public hearing on proposed new wastewater treatment plants for the expanding Wolf Laurel development. In spite of overwhelming and well-reasoned arguments against the plants, which would dump 300,000 gallons of wastewater into a small trout stream, the Div. of Water Quality has granted permission to build.

Community members formed Laurel Valley Watch (LVW) last year after discovering that their sleepy corner of Madison Co. had become the next target in a series of high-dollar resorts plaguing the mountains of western NC. Developers’ plans include 910 huge “trophy” homes and a private jetport—which the residents also challenged in court. A jury recently ruled that the jetport proposal exceeded the acreage allowed, but the judge has yet to deliver a final decision.

LVW is dedicated to protecting the rural character and environment of the Laurel Valley, ensuring a healthy and abundant water supply, and serves as an example for communities throughout western NC. For more information, call CWFNC at 828-251-1291 or visit http://www.laurelvalleywatch.org/

Polluting Wastewater Plant Gets Relaxed Limits, Lacks Funds for Repairs

Marion, NC Due to serious and ongoing water quality violations, the NC Div. of Water Quality has issued a draft Special Order by Consent (SOC) for the Corpening Creek wastewater treatment plant in Marion. The SOC would allow certain water quality standards to be relaxed, and penalties for these violations to be waived at times of heavy rainfall, for the next 3 years. In exchange, the City promises to make improvements to the facility, following a set schedule, with penalties for missed deadlines or failure to meet the relaxed water quality standards.

CWFNC and local residents spoke at an October 30 public hearing, expressing serious concerns about the SOC. Despite statements in the document, the City doesn’t actually have the funding in hand to do the required improvements! Also, the penalties specified in the SOC are inadequate to assure compliance, particularly the tiny $100 penalty for failing to report monitoring results—a cheap way to hide significant water quality violations!

This is not just an issue for those living near Marion! Allowing weak SOC’s to be approved sets a precedent for future enforcement action on chronic violators across the state—maybe even in your own backyard. Help CWFNC strengthen weak permits and SOCs to hold polluters accountable: call 828-251-1291 to find out how!

DENR Regional Offices

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<thead>
<tr>
<th>Asheville Regional Office</th>
<th>828-296-4500</th>
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<tr>
<td>Fayetteville Regional Office</td>
<td>910-486-1541</td>
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<td>Mooresville Regional Office</td>
<td>704-663-1699</td>
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<td>Raleigh Regional Office</td>
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<td>Washington Regional Office</td>
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<td>910-796-7215</td>
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<tr>
<td>Winston-Salem Regional Office</td>
<td>336-771-4600</td>
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If DENR doesn’t take action, contact CWFNC at 800-929-4480
Focus on Communities

**Challenge of “Special Order” for Oxford Sewage Plant Improves Statewide Accountability**

Following a challenge of a weak “Special Order by Consent” (SOC) for the City of Oxford by Clean Water for NC, the Pamlico Tar River Foundation and downstream residents, a precedent-setting Settlement has created clearer requirements for local and statewide enforcement. Since the Settlement was reached in April, the plant’s wastewater operator has reported on all sewage spills directly to residents and has been required to monitor water quality upstream and downstream after each spill.

When Oxford’s construction fell behind schedule, Division of Water Quality officials were considering granting relief from penalties. Relentless pressure by downstream residents made officials see that they would be diving into very hot water if they let Oxford off the hook, so they sent a “demand letter” to the City to collect the penalties.

An important outcome of this case is a new “SOC Guidance” that recommends penalties for missed deadlines and requires evaluation of eligibility of facilities to be granted a Special Order by Consent. The guidance falls short of full accountability for chronic polluters, including penalty-free periods to negotiate an SOC, and negotiated reduction of “up front” penalties, but it’s beginning to have an impact statewide. Major fines are being levied for sewage spills to avoid “Citizen Suits” and SOCs, while still too weak, are stronger than the one granted to Oxford!

**U.S. Senate Approves Camp LeJeune water investigation**

Jacksonville - A Senate amendment that passed in June may force the National Academy of Sciences to thoroughly investigate Camp Lejeune’s past water contamination by drycleaners and report findings back to Congress. For years, Defense Dept. officials failed to acknowledge that public well water consumed by thousands of base residents was contaminated by solvents which can cause cancer and organ damage.

Dr. Rick Maas of UNC-Asheville, a former CWFNC Board member who died last year, had served on a panel investigating the contamination and health effects. He and others had repeatedly called for funding for a comprehensive investigation and compensation to all victims who could be located.

For the widely dispersed community of former residents who believe they have been sickened by polluted base water, that unanimous vote may finally indicate relief is coming.

“I think I literally screamed (when I found out),” said Terry Dyer, of the group “The Stand” and has been fighting for six years through bureaucratic tangles for accountability. “...something good has finally started coming out of this thing.”

The Stand was formed by Terry Dyer and Karen Strand, sisters who lived at Camp Lejeune, N.C. for 15 years, during which the Marine Corps discovered toxic chemicals in the groundwater. The Stand has contacted military and civil service personnel who were either unaware of the contamination or unable to find legal representation, while keeping the media focused on the contamination.

WHERE THE HAZARDOUS WASTE IS

Eleven commercial facilities in North Carolina are licensed to store or process hazardous waste, including one in Raleigh and four in Charlotte.

Based on a graphic prepared by The Raleigh News & Observer
Yes, it’s technically true . . . if the polluter has a permit, issued by the state under the Clean Water Act. Any company or person that discharges waste to streams or rivers must first obtain a “wastewater discharge” or NPDES (National Pollutant Discharge Elimination System) permit. The intent of the Clean Water Act was that all pollution would be decreased every 5 years until no harmful pollutants were discharged at all by 1983. Unfortunately, we know this didn’t happen.

But there is good news! The Clean Water Act also provides for a lot of public involvement. About every 5 years, these wastewater permits come up for renewal and they must first be reviewed and opened up for public comment. That’s where you come in.

To get on our list for e-mail announcements about NPDES permits that are open for public comment in your area, contact our “Pollution Action Pipeline” at 828-251, or toll free at 1-800-929-4480. We can also let you know about any Special Orders by Consent (SOCs – see page 4 community update for Marion, NC) open for public comment. SOCs give relaxed limits or freedom from certain penalties to polluters who have been consistently unable to comply with water quality rules, in exchange for facility improvements. Many SOCs are weak and insufficient to ensure water quality improvements in a timely manner and should be challenged. As always, Clean Water for North Carolina is dedicated to empowering you every step of the way.

You don’t have to be a rocket scientist to find obvious flaws in a permit, and strengthening permits for polluters in your area is a great way to help clean up our waterways. It can also be a great activity for community groups and an excellent, real world exercise for science teachers to use in the classroom. Call CWFNC at 828-251-1291 to get involved today!

NCWARN, CWFNC, other Public Interest Groups Warn of “Power Bill Tax” That Could Exceed $20 Billion

By Jim Warren, executive director of NC Waste Awareness and Reduction Network

Electricity customers could be saddled with billions of dollars in risky investments if Duke Energy succeeds in passing along uncapped “construction work in process” (CWIP) costs of new power plants. An alliance of public advocacy groups sent an October 11 warning that both Duke and Progress Energy will try to muscle the NC legislature into reviving rules it abolished 20 years ago – without having to first prove new coal-fired and nuclear power plants are necessary, safe or economical. As in the 1980s, the utilities seem to getting ready to stick ratepayers with billions in pork-barrel payouts to a multitude of contractors and the utilities themselves.

Duke Energy has asked the NC Utilities Commission for “expedited approval” of a $125 million rate increase to fund pre-application work for new nuclear reactors in Cherokee County, SC. The advocacy groups called on the Commission to reject the scheme as a disguised attempt to begin the costly construction process for new plants at ratepayer expense. In the mid-1980s the legislature abolished CWIP – the utility practice of using rate increases to fund plant construction – after Duke and Progress Energy (then called CP&L) left customers with billions of dollars in “stranded costs” by canceling 10 large power plants in midstream.

Duke claims to need $125 million to study nuclear power as a “least cost” option, but the corporation is spending almost nothing to investigate energy efficiency options. Despite Duke’s public relations offensive claiming support for efficiency, the company is plowing ahead with plans for new coal and nuclear plants, while squandering the time and resources needed to cut greenhouse gases through efficiency and clean energy sources. Among the risks that could make nuclear plants financially risky are: nuclear reactor and transport accidents, terrorism, lack of a waste solution, and construction delays that could cause the cash flow to dry up before government subsidies kick in.

As we go press, Attorney General Roy Cooper and the public staff of the Utilities Commission have joined in challenging Duke Energy’s right to pay for new construction work in progress by gouging the rate payers.
Thanks to Our 2006 Foundation Partners and Major Donors for their Generous Support!

Doug Beatty
Creating New Economies Fund of The Conservation Fund

Alan and Marty Finkel
First Congregational Church, Asheville

Allen and Rosemary Hubbard
Laurel Valley Watch
Oak Tree Fund of the community Foundation of WNC
Park Foundation
Patagonia, Inc.
Julian Price Family Foundation

Rob Pulley
Brad Stanback and Shelli Lodge-Stanback
Fred and Alice Stanback
Z. Smith Reynolds Foundation
River Network
Shaler and Carolyn Stidham
Family of Winston H. Taylor
Rick Weisler
Anonymous

Thanks to Our New and Renewing Members!

Thanks to Our Wonderful Volunteers!
DeWayne Barton, Florence Willis, Carolyn Carnahan, Rich Holder, Eric Knopf, Deborah (Raven) Schultz, Lara Lenhardt, and Hallie Richards

Congratulations and Farewell to Jill Rios

After a year of working for Clean Water for NC as our Western Organizer, Jill Rios has left CWFNC in anticipation of the arrival of her first child! During her time with us, Jill coordinated the Water Justice Campaign, helped a West Asheville community fight off Walmart, strengthened CWFNC’s relationship with Spanish speaking communities, and helped organize activists in the Yadkin River basin.

As coordinator of the Water Justice Campaign, Jill worked tirelessly to plan and implement a door-to-door listening project that hit the streets in seven counties across North Carolina. The project incorporating research, media outreach, and education on a multitude of drinking water issues has made CWFNC and a network of allies aware of privatization and its impacts on low-income communities.

Jill is a dedicated, passionate and hard-working woman, and she will truly be missed here at Clean Water for NC. Congratulations and best of luck to you Jill as our forge ahead into the next chapter of your life!

Join Clean Water for North Carolina
(or renew your membership)!

- Here’s my donation to join or renew my CWFNC membership:
  - $20
  - $35
  - $50
  - $100
  - Other $___________

- I would like to volunteer, contact me.
  Name __________________________________________
  Address _________________________________________
  City ____________________ State ____________ Zip __________
  Phone __________________________________________
  Email __________________________________________

(Email is a faster and cheaper way for us to reach you.)

Make your check payable to: Clean Water for North Carolina and send to: 29½ Page Avenue Asheville, NC 28801

Clean Water for North Carolina • Fall 2006 • 1-800-929-4480 • www.cwfnc.org
More than five years after 9/11, the U.S. Congress still hasn’t passed chemical security legislation to protect facilities that may be vulnerable to sabotage, terrorist attacks or accidents. Following the explosions and fire at Environmental Quality’s Apex hazardous waste facility in October, which caused the evacuation of thousands and sent dozens of first responders to the hospital, it’s clear that it won’t take a terrorist attack to compromise the safety of communities.

The Apex fire revealed long-standing shortcomings in the way we handle and report hazardous waste storage and shipments, even to the people who need that information most—emergency management crews and communities making decisions about safe sites for appropriate businesses. CWFNC has long advocated for stronger community right-to-know and released a report titled Chemical Security in North Carolina in 2004.

Waste management facilities such as Environmental Quality that store hazardous materials for less than 30 days before treatment or shipment to other facilities have had a reporting loophole since the 1986 passage of the Emergency Planning and Right to Know Act. That legislation created the Toxic Releases Inventory, a right-to-know database of dangerous chemicals, as well as Local Emergency Planning Committees. The Act was part of the world-wide response to the deaths of thousands of residents after a 1984 explosion and toxic chemical release from a Union Carbide factory in Bhopal, India. Emergency responders did not know what the chemical was or how to treat victims, just as Apex and regional responders were in the dark about what was burning at EQ, due to inadequate reporting requirements.

CWFNC urgently calls for changes to state and federal requirements, including:

1. Complete reporting of all hazardous materials stored on site for any period of time, with daily electronic updating of chemical inventory to local and state emergency management and hazardous waste officials.

2. Public posting of the location of hazardous waste handling facilities, so that local residents and public officials will be fully aware of the nature of materials and activities carried out.

3. Aggressive requirements and incentives for hazardous materials waste reduction through use of safer materials and processes. The more waste industries produce, the more must be shipped to such hazardous waste facilities, increasing the risk to the public.

These facilities handle massive quantities of explosive, flammable and extremely toxic materials, in quantities that change daily. If the public really understood the risk, such facilities could not be sited anywhere within miles of residences or even other businesses. EQ has recently been notified that its permit has been revoked, but the issues are critical for 10 other neighborhoods around similar facilities across the state (see map on p. 5). The public is asked to contact Dr. V. Aneja (pronounced “ah-nay-ja”) at (919) 515-7808 or vpaneja@ncsu.edu of the Hazardous Materials Task Force to let the members know your concerns and recommendations.