

ASSEMBLY SPECIAL COMMITTEE ON INFRASTRUCTURE AND NATURAL RESOURCES

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 1736

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 22, 2022

The Assembly Special Committee on Infrastructure and Natural Resources reports favorably and with committee amendments Assembly Bill No. 1736 (1R).

This bill would amend and supplement the “Water Supply Management Act” to require the State’s water purveyors (i.e., public and private water providers) who have more than 500 service connections to conduct annual water loss audits.

Specifically, beginning no later than 36 months after the bill is enacted into law, every water purveyor will be required to annually submit a water loss audit to the Department of Environmental Protection (DEP). The bill would direct the DEP, within 18 months after the bill is enacted into law, to adopt regulations concerning the conduct and validation of water loss audits based on the most current edition of the American Water Works Association’s “Water Audits and Loss Control Programs, Manual M36” and its associated Free Water Audit Software. The regulations are to include a provision requiring the water purveyor to notify its customers of the water loss reported in the water audit either on or with the water purveyor’s next annual consumer confidence report or on or with the next bill the customer receives after the water audit is submitted. The bill also requires public water utilities regulated by the Board of Public Utilities to provide the board with a completed and validated water loss audit.

The bill would also require the DEP, no later than 48 months after the date of the bill’s enactment, to adopt recommendations setting forth: (1) a minimum data validity score or a specific level of yearly improvement in the data validity score of future annual water loss audit reports; and (2) performance standards to be met by a water purveyor concerning the volume of water losses that the DEP publishes on its website.

The bill would require the DEP, in consultation with the New Jersey Infrastructure Bank, to establish, in each of the two fiscal years beginning after the date of the bill’s enactment, a grant program to assist water purveyors in procuring water loss audit report validation

under the bill, within the limits of funds appropriated or made available to the DEP.

The bill would require a water purveyor that is subject to the requirements of the “Water Quality Accountability Act” to consider the findings of its annual water loss audit reports when determining which projects are to receive highest priority in the asset management plan prepared pursuant to section 7 of P.L.2017, c.133 (C.58:31-7).

Lastly, the bill would update the definitions section and make other technical amendments to the “Water Supply Management Act.”

COMMITTEE AMENDMENTS

The committee amendments to the bill update the language in section 10 of the bill to reflect current State law.