

THE MORNING CALL

OPINION

A private water company could benefit Allentown

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As is the case in every community large and small in Pennsylvania and across the country, the people and businesses of Allentown depend on a steady supply of clean, safe water to flow from their taps. Indeed, our nation's water infrastructure is the circulatory system of our cities and towns; it is crucial to supporting a healthy population and a robust economy.

The delivery of that water is a resource-intensive service, with a great deal going on behind the scenes to bring water from rivers, lakes, streams and wells to homes and businesses. Public and private utilities provide this essential service 24 hours a day, seven days a week, at a cost to the consumer of about a penny per gallon — sometimes less.

Like many communities throughout the United States, Allentown is now considering whether partnership with a private water company is the best way to provide these critical services.

Furthermore, like Allentown, every community faces unique challenges pertaining not only to water supply and water quality but also to population and economics. When weighing a variety of options to meet their specific water needs, nobody is better suited than Allentown's residents and their elected and appointed officials to arrive at the best solution, supported by clear, undisputed facts.

Therefore, when out-of-town special interest lobbying groups like Food & Water Watch seek to cloud that decision-making process with distortions and unsupported accusations, it becomes necessary to bring facts back into the discussion.

Fact 1: Private water companies have more than two centuries of experience serving communities of all sizes and in all areas of the United States. Today, nearly 73 million Americans — one of every four people in this country — receive water service from a privately owned water utility or a municipal utility operating under a public-private partnership. Contracts for these partnerships are renewed at an average rate of 93 percent, underscoring the satisfaction with the resulting services.

Fact 2: Public utility commissions, rather than individual providers, set rates for privately operated utilities based on evidence provided throughout a transparent process that includes participation by the public and a consumer advocate. Under a lease or other partnership arrangement, the community retains authority and responsibility for establishing rates, not the utility company. Furthermore, no matter what the model — public or private — the key driver of rates is the true cost of service, and the largest contributing factor is capital investment needed to ensure reliable service.

Fact 3: All water utilities are subject to extensive government oversight, which establishes and enforces health and environmental regulations while also making long-term water resource allocation decisions. Both public and private water utilities must comply with these regulations to deliver quality water in an efficient manner.

Public-private partnerships afford municipalities a host of benefits, including job creation and retention, economic stability and growth. In determining how best to ensure that Allentown is able to flourish and thrive in the future, residents and government leaders deserve the facts that allow them to thoughtfully examine the full range of options available to them.

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