



ALLIANCE FOR THE GREAT LAKES
ENSURING A LIVING RESOURCE FOR ALL GENERATIONS

April 4, 2013

Daniel Injerd, Chief
Office of Lake Michigan Management
Illinois Department of Natural Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

RE: IDNR draft rules for Part 3730, Allocation of Water from Lake Michigan

Dear Mr. Injerd:

Thank you for the opportunity to comment on the Illinois Department of Natural Resources' (IDNR) draft rules under "Title 17: Conservation Chapter I: Department of Natural Resources, Subchapter h: Water Resources, Part 3730, Allocation of Water from Lake Michigan." Please accept these comments on behalf of the Alliance for the Great Lakes, the oldest citizen-based organization dedicated to conserving and restoring the world's largest freshwater resource using policy, education and citizen involvement. More than 5,400 of our supporters live in Illinois, near the Lake Michigan shoreline.

We appreciate IDNR's thoughtful consideration of its responsibility for the careful stewardship of Lake Michigan water resources. Illinois is uniquely responsible among the Great Lakes states for implementation of the applicable portions of the Great Lakes – St. Lawrence River Basin Water Resources Compact (Compact) as well as the requirements of the 1967 Supreme Court consent decree (Decree) governing water diversion from Lake Michigan. We understand the challenge of drafting an approach that both protects Lake Michigan and provides for the sustainable use of this environmental treasure and economic engine. Illinois should take full advantage of the opportunity to draft rules that implement strong state and regional water stewardship and protection for generations to come.

The Alliance served as an advisor to the original negotiation of the Compact and corresponding Agreement with the Canadian provinces, culminating in a signed pact in December 2005. We were active in passing legislation codifying the Compact in state law in several Great Lakes states and in Congress. We are proud to serve as a member of the Advisory Committee to the governors and provincial premiers on the Compact Council and Regional Body.

We are pleased with several of the improvements proposed in the draft rules and believe that this update is a positive step toward protecting Great Lakes water resources locally. We also believe a firm commitment by Illinois to environmentally sound and economically feasible water conservation measures, as articulated in the Compact, can and should be an example to the rest of the Great Lakes region.

We commend IDNR on major improvements in the rules to address water loss by eliminating “unavoidable leakage” as well as incentivizing water conservation and efficiency measures among Lake Michigan permittees. Classification of residential users as a priority applicant for Lake Michigan water use is also an appropriate improvement, especially since seventy-seven percent of the population of the northeast region of Illinois—about 200 communities—relies on Lake Michigan water and domestic use should be the top priority for Illinois.

We do have concerns with certain provisions of the draft rules and urge you to consider our recommendations to resolve these issues. These draft rules do not completely fulfill the promise of the Compact and the Decree in Illinois and, for those reasons, we request that you consider the following improvements prior to drafting the next version of the rules.

Section 3730.101 Scope and Purpose

This section has new language that explains the intent of Illinois to comply with the Supreme Court Consent Decree. However, there is no mention of the Compact, or any effort to comply with the intent of the Compact. While the Lake Michigan diversion is governed by the Decree and exempt from the Compact, other provisions of the Compact do apply to Illinois. We recommend including fulfillment of the letter and spirit of the Compact in the Scope and Purpose, particularly since Illinois is bound to implement the conservation & efficiency requirements set forth in the Compact.

Section 3730.102 Definitions

We recommend defining the Compact in section 3730.102 to be consistent with the Scope and Purpose in section 3730.101 as well as to clarify the conservation and efficiency requirements that Illinois must comply with under state and federal law.

We also recommend changing the term "Unaccounted-for flow" to “Nonrevenue flow.” This definitional change would underscore the fact that reducing the unaccounted flow of water from a system translates into increased revenues and helps water managers recognize the economic value in water conservation.

Section 3730.206 Notice of Hearing

We question the rationale for the inclusion of Kendall County as a location for notice of allocation hearing. Kendall is not listed under Chapter 615 of the Illinois Compiled Statutes *Level of Lake Michigan Act* as part of the Northeastern Illinois Metropolitan Region. We request further clarification if Illinois intends to include Kendall County as part of the Northeastern Illinois Metropolitan Region for Lake Michigan water, and whether appropriate statutory changes will be required to pursue such inclusion.

Section 3730.301 Allocation Permits

In subsection (c)&(d), we question why the Department changed “*shall* issue a notice of violation” to “*may* issue a notice of violation”. Is there a reason the Department needs this flexibility when a permittee, over a five-year running period, violates the permit allocations? Without a clear system of compliance, there is no way to implement a clear decision-making standard. If the Department intends to change this backstop of compliance, it must be replaced with a clear and non-discretionary means of ensuring elimination of the violation.

Part 3730.302 – Application

The added language including “*A description of the applicant’s existing and proposed program or measures to promote the efficient use and conservation of its water supply,*” is a good start toward implementing measurable conservation & efficiency measures. We propose, however, that applicants’ implementation of conservation and efficiency measures should begin well before an application for a Lake Michigan water allocation. Applicants should demonstrate not only that they would implement conservation and efficiency measures as a condition of the allocation, but that efficient use and conservation of existing water supplies is insufficient to support future supply from currently available resources – a standard in the Compact that Illinois could use to demonstrate regional leadership in water supply stewardship.

At the least, as an application pre-condition, we recommend that Illinois require applicants for new allocations to demonstrate implementation of a multi-year demand management and conservation program to extend the life of an existing water source. This will demonstrate that Lake Michigan water was the last and best option for the community.

Section 3730.304 – Water Needs Criteria

While Illinois is not bound by the terms of the Compact when determining how to allocate the Lake Michigan diversion, we urge the Department to be more consistent with the spirit and intent of the Compact when establishing need for a new allocation. Therefore, we recommend adding language whereby applicant should “demonstrate that there is no feasible, cost effective, and environmentally sound water supply alternative within the existing watershed..., including conservation of existing water supplies”.

Section 3730.307 - Conservation Practices and Other Permit Conditions

We support the proposed improvements toward conservation & efficiency practices in this section. However, our additional suggestions include:

Subsection (b):

We urge the Department to clearly identify the necessary components of a compliance plan, including an analysis of costs and benefits, so that it can apply the same criteria to all permittees.

Subsection (c)(1):

We recommend that all permittees be required to conduct annual audits consistent with protocols found in the American Water Works Association’s water audit manual M-36, and to certify their compliance with this requirement on their annual LMO-2 report.

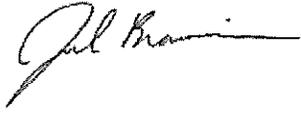
Conclusion

The Decree and Compact provide a process for ensuring Illinois stewards and protects Lake Michigan resources to the best of its capability, acknowledging Illinois’ exemption from the Compact’s prohibition on diversions. Regional adherence to the conservation and efficiency standards outlined in the Compact is critical to the protection of a substantial but limited resource. With long-term climate changes bringing new challenges to bear on Illinois water management, it is ever more critical for Illinois to exercise its leadership through a conservative approach to managing Lake Michigan water.

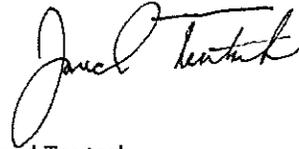
For these reasons, we ask that you consider our recommendations described above and provide the state of Illinois with the tools necessary to protect and use Lake Michigan and all its waters for generations to come. Once again, allow me to extend my sincere thanks for your deliberations on this matter. If you have any

questions or concerns regarding this letter, please do not hesitate to contact me at (312) 445-9741, or at jteutsch@greatlakes.org.

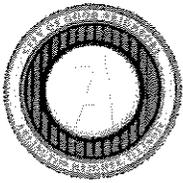
Sincerely,

A handwritten signature in black ink, appearing to read "Joel Brammeier". The signature is fluid and cursive, with a long horizontal stroke at the end.

Joel Brammeier
President & CEO

A handwritten signature in black ink, appearing to read "Jared Teutsch". The signature is fluid and cursive, with a large initial "J" and a long horizontal stroke at the end.

Jared Teutsch
Water Policy Advocate



Village of Arlington Heights

33 South Arlington Heights Road
Arlington Heights, Illinois 60005-1499
(847) 368-5000
Website: www.vah.com

April 5, 2013

Mr. Daniel Injerd, Chief
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle Street, Suite S-703
Chicago, IL 60601

Re: Proposed Changes to Rule and Regulations for the Allocation of Water
from Lake Michigan

Dear Mr. Injerd:

The following are comments representing the position of the Village of Arlington Heights and a few questions on the referenced matter:

1. Part 3730.101

What is the basis for the "40 year running total of 3,200 cfs" diversion limit?

2. Part 3730.102

- a. The basic logic used when determining the removal of all references to allowable loss in the distribution system is flawed. AWWA Standard C600-10 "Installation of Ductile-Iron Mains and Their Appurtenances" page 26 has provisions for allowable loss on new pipe. IDNR does not have the right to supersede the national standard that municipalities have adhered to since the inception of the standard. Given that allowable loss was accounted for in new pipe, it only stands to reason that the older the pipe is the allowable loss will increase throughout the decades. This was the basis for the allowable loss table in page three of the LMO-2
- b. Some provision needs to be maintained for the age and size of the distribution system. IDNR must realize that municipalities both large and small cannot drastically increase the budget for water main replacement overnight. These are catastrophic financial times and its harder now than ever to shift more governmental mandated financial burden upon the backs of homeowners.
- c. Perhaps consider decreasing the unavoidable leakage credit to one half the current rates.

3. Part 3730.304

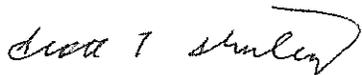
- a. The IDNR is requiring stricter conservation measures which directly impact the permittee's revenue stream inversely to the requirement of mandated infrastructure replacement requirements.

4. Part 3730.307

- a. What are the ramifications if the permittee fails to achieve less than 8% within 2 years? The reference to the IDNR taking into consideration "significant capital expenditures" is too vague. I want to know what possible enforcement action the IDNR will take for systems that continue to report over 8%.
- b. What is the intention of sub-metering multi-family buildings? Many municipalities master meter multi-family dwellings and invoice the entity (home-owners association, apartment complex, condominium association). Is it the intention of the IDNR to meter all future entities (and potentially existing entities the next regulatory go-round) of this nature and bill separately? Where do the funds for the infrastructure (meters, copperhorns, plumbing, manpower) come from? Where does the manpower to read and bill come from? Has the IDNR been out of touch with the financial crisis this area and the rest of the country has been going through? Staff reductions throughout the municipalities make it impossible to add any additional labor tasks for the foreseeable future.
- c. The time of day restriction is too strict, we think it is more reasonable to enforce odd/even and restrict watering to before noon and after 5:00PM. New construction hasn't been accounted for either. Are we going to let the sod and new grass seed die? What about hand held hoses for watering?

Please contact me if you have any questions or desire additional information.

Sincerely,



Scott T. Shirley
Director of Public Works

tw



Village of Bloomingdale

Robert G. Iden
Village President

Irene M. Jones
Village Clerk

April 1, 2013

Mr. Daniel Injerd, Chief
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, Illinois 60601

RE: PROPOSED TO RULES AND REGULATIONS CHANGES FOR THE ALLOCATION OF LAKE MICHIGAN WATER

Dear Mr. Injerd,

Thank you for the opportunity to comment on the proposed changes to the Rules and Regulations regarding the Allocation of Lake Michigan Water.

The Village of Bloomingdale is concerned with the changes proposed as further described below:

Part 3730.102 / Definitions

The Village of Bloomingdale is concerned with the proposal to eliminate the unavoidable leakage allowance from the Annual LMO-2 Water Audit calculation to determine "unaccounted-for-flow".

The current percentage-by-volume methodology used by IDNR is strongly influenced by the measured volume of water both "produced" and "used", which given the difficulty in measuring certain "non-revenue flows", and the cumulative, compound affect of the accuracy of adding multiple meter reads, even amongst meters considered to be "calibrated" to industry tolerances, makes the current audit methodology inherently imprecise.

Applying the proposed rules and regulation changes to the Village of Bloomingdale's LMO-2 Audit Report history of the last 24 years (1989-2012) would have resulted in the Village complying with the 8% standard thirteen (13) times; while violating the 8% standard twelve (12) times. Further, the Village would have had three (3) occurrences when the 8% standard was exceeded in two (2) consecutive years, which would have violated the proposed regulations invoking a compliance plan even though the Village diligently and proactively meters water consumption/use, searches for and immediately repairs leaks and actively manages and maintains its water system. The proposed changes will not fairly and accurately evaluate the Village's due diligence.

Including an “unavoidable system leakage” component is a common practice in water audit methodologies around the world. All water systems, no matter the age, have some amount of “unavoidable system leakage” which is a function of the pressure, length, and age of the mains and services. Some of this “unavoidable system leakage” (i.e. background losses) are individual events (i.e. small leaks and weeping joints, etc.) that have flow rates too low to be detected by acoustic leak detection techniques. These losses are reflected in the current IDNR calculation for unavoidable leakage.

By example of the affects of meter accuracy, the Village’s purchase contract with the DuPage Water Commission (DWC) allows for a +/-5% variance between the readings from the DWC’s system meters when compared to the readings from the Village’s system. The DWC meter readings are required to be used as the data submitted in the annual LMO-2 Audits. Over the term of the contract to date the DWC system meters, which are in reasonably close proximity to the Village’s system meters, making it reasonable to assume no water is lost, consistently read approximately 3.5 to 4% higher than the Village’s system meters. Yet each respective meter is “calibrated” to industry tolerances for the expected flow range. The Village’s system meter readings very closely match the total water flowed to customers measured from the many consumers’ meters throughout the system. So the difference between the DWC system meter and Village system meter readings begin the audit process with a 3.5% to 4% deficit.

It is understandable that “unavoidable system leakages” should be part of the “unaccounted-for-flow”. However unavoidable leakage is a reality of system operation. The elimination of this calculation will negate the ability to evaluate the impact of other water loss control efforts to reduce “unaccounted-for-flow” in areas that can be addressed by communities through operations and maintenance. Additionally by changing the LMO-2 Audit calculation, communities will lose the ability to make historical comparisons of the data over time.

Eliminating “unavoidable system leakage” is impossible, but utilities can strive to continually minimize the magnitude of this leakage. The proposed changes to the rules and regulations would not effectively drive utilities towards minimizing background loss in real terms and would subject utilities to unnecessary penalties and difficult to achieve compliance plans.

The Village suggests that removing the “unavoidable leakage allowance” warrants IDNR to propose an increase in the current 8% “unaccounted-for-flow” standard. USEPA Document 816-D-09-001 dated November 2009 entitled REVIEW DRAFT - CONTROL AND MITIGATION OF DRINKING WATER LOSSES IN DISTRIBUTION SYSTEMS cites that: “The [“unaccounted-for-flow”] policies vary among states but most set limits that fall within the range of 10% to 15% as the maximum acceptable value for the amount of water that is “lost” or “unaccounted-for”. The Village proposes that if IDNR proceeds to eliminate the “unavoidable leakage allowance” in the “unaccounted-for-flow” calculation, then the 8% standard for unaccounted-for-water flow should be increased to a new maximum of at least 10%.

Regardless, if all unavoidable leakage is included toward the 8% standard, then the other formulae, such as hydrant usage, should be modified to reflect other unbilled usage that is tracked by the municipality so that accurate data can be a part of the calculation. Additionally IDNR should consider eliminating the current, arbitrarily imposed 1% cap on unbilled usage. Please see the comments in 3730.304 / Water Needs Criteria below for further explanation in this regard.

Allowing for unavoidable leakage in water systems is a universal practice in terms of water audits. If eliminating the unavoidable leakage allowance from the annual water audit is inevitable, then perhaps a new system performance indicator should be considered as a "standard" that will accurately depict the utilities efforts to combat background loss. Perhaps IDNR should consider using a more holistic system-specific standard such as the Infrastructure Leakage Index (ILI). An ILI performance indicator would represent three important aspects of infrastructure management; the speed and quality of repairs, active leakage control, and assets management. This approach would portray actual background losses on a system-by-system basis in relation to an ILI standard instead of perpetuating the current fixed universal consumption-dependent standard.

3730.304 / Water Needs Criteria

a. This section references the requirement that "unaccounted-for-flows" cannot exceed 8%. The existing LMO-2 calculation allows for a maximum usage of 1% under the "hydrant uses" category. However the actual total of items under the "hydrant uses" category of flushing, sewer cleaning, street cleaning, construction, etc. will likely exceed 1%.

It is unclear why "unavoidable system leakage" is proposed to be excluded, while actual, potentially measurable losses, such as "hydrant uses" are continuing to be arbitrarily capped. This will create situations where the numbers inaccurately indicate a larger than actual "unaccounted-for-flow", caused by artificial limits in the formulae being used. This usage is not "unaccounted for flow" rather it is simply non-revenue usage that comes with operating the system.

It should also be noted that the term "unaccounted for flow" is now considered somewhat archaic, being inconsistent with terms and methods recommended by the American Water Works Association (AWWA). The final formula promulgated by the Department should provide a clear delineation to allow for accurate reporting between "unaccounted-for-flow", "non-revenue usage", and permitted "unavoidable system losses" including "unavoidable system leakage"

3730.307 / Conservation Practices and Other Permit Conditions

b. The same comments from 3730.304 / Water Needs Criteria apply to the language changes proposed in this section, especially that the proposed final formula promulgated by the Department should provide a clear delineation between "unaccounted-for-flow" and "unbilled flow".

C2. It is assumed that the goal with requiring sub-metering in multi-family buildings is to encourage conservation by individual units. However there is no proposed definition for what is considered multi-family. Additionally in many multi-family units, the water cost is paid for through an association fee based on a master meter for the complex due to water use outside the unit but within the complex (i.e. irrigation systems, pool, laundry units, etc.). Realistically, billing would continue to be done off the master meter for the building and the sub-meters would not serve a purpose. Additionally, IDNR should be cognizant that requiring sub-metering will require significant additional costs for owners/builders to accommodate this requirement in the plumbing configurations and floor space and meter closets for the devices through-out the building.

C4. The proposed "Water Sense" fixture requirement is a mandate that would require amendment of the local ordinances adopting specified building codes. While the Village supports conservation efforts, the implementation of conservation efforts and specific requirements should remain a local decision with IDNR guidance/recommendation as to the appropriate Water Sense fixture use. Similar to C8, this would only be able to be enforced on new systems, since fixture replacements do not require a permit.

C8. The proposed "Water Sense" irrigation controller requirement would require amendment of the local ordinances adopting specified building codes. While the Village supports conservation efforts, the implementation of conservation efforts and specific requirements should remain a local decision with IDNR guidance/recommendation as to the appropriate Water Sense controller use. Similar to C4, this would only be able to be enforced on new systems since controller replacements do not require a permit.

Sincerely,
Village of Bloomingdale



Michael D. Marchi, PE
Director of Village Services/Village Engineer

Pc: Village Administrator

I am writing in response to your e-mail transmittal below transmitting Daniel Injerd's 2/19/13 memo to all Lake Michigan permittees and interested parties concerning proposed changes to the rules and regulations for the allocation of water from Lake Michigan.

On behalf of the Village of Buffalo Grove I am writing to express concern related to the proposed changes in the rules, particularly because of the potential costs involved for implementing the proposed rules and also because it is not apparent in the transmitted materials the technical and scientific basis for the proposed changes.

The proposed requirements for submetering are unclear and appear to be potentially costly and also seem to have negligible impacts on water conservation.

The revisions in the allowable unaccounted-for water standard appear to be very extreme and potentially unachievable in some situations and there is no explanation or justification for this proposal based upon scientific or technical data.

Village of Buffalo Grove staff have contributed their comments which have been submitted by John Durocher of the Northwest Water Commission, and his comments are endorsed for your consideration.

If you have any questions concerning these comments, please let me know.

I would like to let you know that I am retiring at the end of the day on Friday, and my duties are being assumed by Mike Skibbe whose contact information is provided for your reference:

Mike Skibbe
Interim Director of Public Works
Phone: (847) 459-2523
e-mail: mskibbe@vbq.org

Gregory P. Boysen, PE
Director of Public Works and Village Engineer

Village of Buffalo Grove, IL
51 Raupp Blvd.
Buffalo Grove, IL 60089
Phone: (847) 459-2547
Fax: (847) 537-5845
Email: gboysen@vbq.org

* "Casey, James" ---02/28/2013 10:36:10 AM---[[cid:image002.jpg@01CE159E.E3F51970](#)] To: All
Lake Michigan Permittees and Interested Parties

From: "Casey, James" <James.Casey@Illinois.gov>
To: "gboysen@vbq.org" <gboysen@vbq.org>,
Date: 02/28/2013 10:36 AM
Subject: IDNR/OWR Proposed Lake Michigan Water Allocation Rules (3730) Change



April 1, 2013

Mr. Daniel Injerd,
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

RE: Proposed Changes to the Rules and Regulations for the Allocation of Water from Lake Michigan

Dear Mr. Injerd,

With reference to the information regarding changes to the rules and regulations for Lake Michigan allocations and the subsequent effect on unaccounted for water values, multi-family building metering and rate structures, the Central Lake County Joint Action Water Agency (CLCJAWA) on behalf of its members (Gurnee, Grayslake, Lake Bluff, Lake County, Libertyville, Mundelein, Round Lake, Round Lake Beach, Round Lake Heights, and Round Lake Park) would like to submit the following comments:

3730.102 Definitions- "Unaccounted for flow". CLCJAWA strongly objects to the removal of the Maximum Unavoidable Leakage Table. While we would agree that some modifications could be made, the elimination of this table appears to be overly onerous. Gasketed piping systems for various standard water main pipes used throughout the industry are not 100% perfect in terms of seepage from some joints. There is no practical means for water system operators to prevent this leakage. Therefore there must be an unaccounted for allowance. In addition, our members replace many miles of water main each year and are working hard to reduce their leakage. The reason we see the removal of this table as a major issue lies in the fact that if we look at many of our members last several LMO-2 reports, if the amount from the Maximum Unavoidable Leakage Table were to be removed, their unaccounted for flow would exceed the 8% limit. Again, we feel that our Members have a very aggressive program for the reduction of unaccounted for flow and are at a loss as to what other programs we could utilize to replace the values from the table.

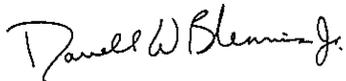
3730.307 Conservation Practices and Other Permit Conditions (c) (2)-"Metering of all new construction, including sub-metering in all multi-family buildings". The installation of meters in each unit is again onerous to both the developer/contractor as well as the municipality. While not only adding significantly to the cost of the development, the data collected from these additional metered sites would need to be managed and monitored and many Utilities and property owner/landlords do not have the staff or expertise necessary to utilize the data in a timely and appropriate fashion.

3730.307 Conservation Practices and Other Permit Conditions (f). CLCJAWA strongly objects to the mandate by the Department to recommend that water rates reflect the full cost of water. This recommendation, while laudable on the surface, could result in financial hardship for the residents of many of our Members. The rates and expenses that make up the water rate can unfortunately be easily manipulated as well which could reduce the overall effectiveness of this recommendation. Requiring more aggressive leak locating and maintenance of distribution systems could result in the same overall goal.

Thank you for allowing us the chance to comment on the proposed changes as some of the recommendations could have very profound effects on water utilities.

If you have any questions or comments, please feel free to contact me at (847) 582-9204.

Respectfully Submitted,

A handwritten signature in black ink that reads "Darrell W. Blennis Jr." in a cursive script.

Darrell Blennis Jr.
Executive Director



**DEPARTMENT OF WATER MANAGEMENT
CITY OF CHICAGO**

April 8, 2013

Daniel Injerd
Chief, Lake Michigan Management
Illinois Department of Natural Resources - Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle Street, Suite S-703
Chicago, IL 60601

Re: Comments to the Proposed Lake Michigan Water Allocation Rules Change

The City of Chicago provides these comments on the proposed rule changes to the Illinois Department of Natural Resources Part 3730 regulations concerning the allocation of water from Lake Michigan. As the largest permitted entity impacted by these regulations, the City of Chicago has a significant interest in ensuring that these regulations meet the unique needs of the Chicago region now as well as in the future.

We appreciate IDNR's attempt to improve and streamline the water allocation regulations and the collection of water use data. We continuously strive to improve the Chicago water system while also addressing our competing interests to provide low-cost water to the citizens of Chicago and the northeastern Illinois region. As you are aware, the Chicago water system provides water to over 5 million people, or 42.5% of the State of Illinois.

In Chicago, we are taking critical steps to renew our water infrastructure. Last year we embarked on an aggressive and costly 10-year capital improvement program that includes, but is not limited to, bringing the City of Chicago's water main replacement program back on pace with the original rate of installation. In 2012, the City completed the replacement of over 70 miles of water mains, which is more than double the amount that we replaced in 2011. Over the next decade, the City plans to replace 880 miles of water mains. This commitment to water main replacement is among the most ambitious of any large city in the country.

We are also making a significant investment to increase the use of water meters throughout the city. Since 2009, the City has installed water meters in existing residential properties where none previously existed through its MeterSave program. In 2012, MeterSave resulted in the installation of over 12,000 water meters. These efforts, combined with the City's green stormwater infrastructure initiatives, leak detection program, and other initiatives have reduced total water use, decreased leakage, and ultimately lowered the amount of water that leaves the Lake Michigan watershed. Over the last 20 years, our water usage has declined 38%.

Under the proposed regulations, the water that is currently reported as "unavoidable leakage" would be reported as a part of the "unaccounted-for-flow" category. Despite this proposed change, the requirement for maximum "unaccounted-for flow" is not proposed to increase

beyond the 8% that currently exists in the regulations. Chicago, like many other communities, would have difficulty achieving this proposed requirement. According to IDNR, the 2012 LMO-2 reports from permittees indicate that approximately 60% of the over 200 permittees would currently exceed the 8% requirement as proposed by the amended regulations. This suggests that the majority of the Lake Michigan allocation permittees face challenges with aging infrastructure and leaking pipes.

We are confident that the implementation of our water main replacement program and MeterSave will result in a reduction in leakage and additional water conservation. However, because we are in the early stages of implementing these programs, the proposed rule changes could have a negative effect on the City of Chicago unless implemented with adequate flexibility. We believe it is necessary to fully consider a permittee's ongoing and planned actions to improve water infrastructure and provide permittees with adequate time and flexibility to achieve compliance.

The City of Chicago further contends that a one-size-fits-all approach requiring 8% maximum "unaccounted-for-flow" is not a successful indicator of water utility performance. Chicago, as an older, large city with old water infrastructure, is inherently different than a younger, smaller community with newer water infrastructure. In addition, Chicago, like all communities, faces unique physical, social, economic, and political considerations that necessitate a more nuanced approach than the one-size-fits-all standard established in these proposed regulations. In addition, the 8% "unaccounted-for flow" target is arbitrary, especially since this target is not accompanied by a broader water conservation strategy for Lake Michigan allocation that establishes a long-term goal for sustainable water use.

We believe it is necessary to consider a more flexible approach that accounts for long-term needs, recognizes the unique physical and historical characteristics of each permittee, and balances the economic costs of infrastructure upgrades (and their accompanying water rate increases since these costs are primarily locally funded) with the benefits of reducing leakage and "unaccounted-for flow."

We welcome reconsideration of methodologies related to "unaccounted-for flow" and "unavoidable leakage" as part of a broader reconsideration of the Lake Michigan allocation program accounting practices and requirements. We look forward to working with you to develop a set of standards and a reporting system that meets the needs of Chicago and the other Lake Michigan allocation permittees.

Regarding the proposed changes to the "conservation practices and other permit conditions" (Section 3730.307), we do not support the proposed requirement to include "sub-metering in all multi-family buildings." While sub-metering has the potential to reduce water consumption, we believe that the benefits do not outweigh the high expense and technical difficulties required for implementation.

The City's metering efforts have focused on installing meters in existing non-metered single-family and small residential properties since this is our biggest need and the greatest opportunity to reduce water use through metering. Installing sub-meters in new multi-family buildings does not offer the same water reduction benefit per meter installed since these units

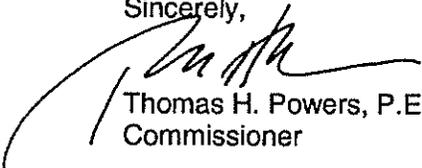
Dan Injerd
April 8, 2013
Page -3-

typically use less water than average due to factors such as typically having less square footage, fewer occupants, newer fixtures, and less demand for lawn watering. Further, there are engineering challenges with installing sub-meters at the lateral water line or within the internal plumbing of the building which provide further difficulties and drive up costs. Those costs would need to be carried by either the water utility or the real estate developer, which either adds an expense that is not cost-effective to the utility or adds an additional regulatory cost that could hurt economic development and new residential construction.

Finally, regarding the proposed language "conservation practices and other permit conditions" (Section 3730.307(f)), we do not support the proposed statement "The Department also recommends that water rates reflect the full cost of water, including the long term cost to properly maintain and operate the water supply distribution system in such a manner as to keep system losses to a minimum." While cost of service is a factor, there are other factors that are acceptable and reasonable to be included in rate setting.

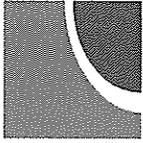
Thank you for providing us with the opportunity to comment. We appreciate your collaboration and look forward to future conversations about improving the sustainability of the Lake Michigan water allocation program.

Sincerely,



Thomas H. Powers, P.E.
Commissioner

M. Sturtevant
A. Koch
I. Caminer
M. Ames



Chicago Metropolitan Agency for Planning

233 South Wacker Drive
Suite 800
Chicago, Illinois 60606

312 454 0400
www.cmap.illinois.gov

April 4, 2013

Via e-mail: dan.injerd@illinois.gov
and first class, U.S. Mail

Mr. Daniel Injerd, Chief
Office of Water Resources, Lake Michigan Allocation Program
Illinois Department of Natural Resources (IDNR)
160 North LaSalle Street, Suite S-703
Michael A. Bilandic Building
Chicago, Illinois 60601

Dear Mr. Injerd:

CMAAP staff is supportive of IDNR's intention to pursue changes to the rules and regulations for the Allocation of Water from Lake Michigan (17 ILAC 3730). Both CMAAP and members of the Northeastern Illinois Regional Water Supply Planning Group¹ were early proponents of change to these rules with several recommendations that are documented in *Water 2050: Northeastern Illinois Regional Water Supply/Demand Plan*.

Here, CMAAP staff provides our review comments by section of Part 3730:

Section 3730.101 Scope and Purpose

We agree with the clarification provided that relates the purpose of the rules to both the relevant U.S. Supreme Court Decree and its accounting of the Illinois diversion.

Section 3730.102 Definitions

1. "Unaccounted-for flow" is at the heart of the proposed rules changes. We urge IDNR to replace the term "unaccounted-for flow" with the industry-sanctioned term, "nonrevenue water." The American Water Works Association (AWWA) defines nonrevenue water as, "The sum of unbilled Authorized Consumption, Apparent Losses, and Real Losses. Also, this value can be determined as the difference between System Input Volume and Billed Authorized Consumption."² The term "nonrevenue water," one of seven water-balance components defined by AWWA, will capture the two components that "unaccounted-for flow" captures plus account for legitimate uses such as "hydrant, and other identified uses" that IDNR has historically expected permittees to

¹ The Northeastern Illinois Regional Water Supply Planning Group was formed in 2006, convened their first meeting in January 2007, and completed their work commitment in January 2010 following unanimous approval of *Water 2050*.

² AWWA, 2009. *Water Audits and Loss Control Programs*, Third Edition. Manual of Water Supply Practices: M36.

quantify. Use of the term “nonrevenue water,” however, more clearly enables the portrayal of all water uses as either contributing to cost recovery or not. Such language will serve to complement and reinforce another change proposed in Section 3730.307 where the concept of “full cost of water service” is newly invoked.

2. We approve deletion of all references to “unavoidable leakage.”

Section 3730.302 Application, subpart g

We approve of the new subpart (g) that calls upon an applicant to describe their existing and proposed conservation and efficiency program or measures. Since local ordinances are key drivers of behavior and make clear the priorities of a local government, we recommend the proposed new language be modified to read, “A description of the applicant’s existing and proposed program or measures *and ordinances* to promote the efficient use and conservation of its water supply;”

Section 3730.303 Classification of Water Users

- a) We support the proposed elevation in priority of applicants whose use of lake water would reduce the regional use of the deep aquifer. Additionally, we support the elimination of an allocation (never previously granted) for “dilution flows necessary to meet water quality standards in the Sanitary and Ship Canal.”
- b) We support the clarity provided by proposed changes that emphasize the priority of Category IA and IB water users.
- c) We support the clarity provided by proposed changes regarding the discretionary diversion.

Section 3730.304 Water Needs Criteria

- a) We support the addition of language concerning lawn-watering and other outside use ordinances among the conservation practices which will be considered with respect to permit applicants. Additionally, we support the requirement that permittees submit a compliance plan to IDNR in the event that annual unaccounted-for flow exceeds 8%. However, we think a request to submit a compliance plan *including costs* will be instructive for all parties concerned and complementary to new language subsequently proposed regarding “full cost of water service.”

Section 3730.307 Conservation Practices and Other Permit Conditions

- b) We support elimination of the maximum unavoidable loss factor that IDNR alludes to in this subpart. Additionally, we support the requirement of a compliance plan should permittee annual water loss exceed 8%, but suggest that that the proposed new language go a step further to include “submit a compliance plan *including costs*.” Similar to the rationale above, providing more detailed guidance as to what a compliance plan should include will support IDNR’s recommendation that permittees develop water rates that reflect the “full cost of water service.”

We also suggest that IDNR develop a compliance plan template in order to provide guidance to permittees and help to establish consistency in terms of what IDNR expects a compliance plan to feature. A template could also provide some structure for a permittee to help link development of full cost of service water rates with other initiatives necessary to come into compliance.

- c) We support the proposed requirement for submetering in all multi-family buildings. We also support ordinances that require as proposed, use of WaterSense labeled products for new and replacement fixtures. Where a WaterSense labeled product may not exist, however, we think the requirements of Illinois Plumbing Code should be referenced rather than federal legislation that is now over 20 years old. The Energy Policy Act of 1992 and any future amendments will automatically set a minimum standard for all to follow.

Regarding the required adoption of ordinances that “restrict nonessential outside water uses to prevent excessive, wasteful use” we believe the proposed changes – new language that specifies time of day for allowable watering and prevents watering on consecutive days – will do little to advance water-use conservation. The proposed changes will also allow for much more watering than healthy lawns require. We urge IDNR to use the language in the CMAP Model Water Use Conservation Ordinance <http://www.cmap.illinois.gov/water-2050/model-ordinance> regarding irrigation as found on page 17. The key requirements that should be added to proposed changes include 1) irrigation days limited to two per week using an odd/even numbered address formula, and 2) limiting outdoor lawn watering to two hours per irrigation day. The model ordinance also recommends that the watering schedule not allow lawn watering between 10 a.m. and 6 p.m.

While IDNR does not propose changes to the requirement, “development and implementation of public programs to encourage reduced water use,” we believe the current language falls short of the Great Lakes – St. Lawrence River Basin Water Resources Compact, Resolution #5 – Adoption of Basin-Wide Conservation and Efficiency Objectives. One objective of Resolution #5, “develop education programs and information sharing for all water users” features several strategies that cannot be implemented and achieved with the current language of Part 3730.

We urge IDNR to develop a more active education program for permittees to follow; one that provides guidance that is consistent with Compact objectives and strategies and sets the expectation of an annual report submittal by permittees to IDNR. A more active program with guidance provided by IDNR will also support water department/utility movement towards full cost of water service.

- f) Though we prefer that all public water suppliers be required to develop water rates that reflect the full cost of water service, we support IDNR’s new recommendation that “water rates reflect the full cost of water, including the long term cost to properly maintain and operate the water supply distribution system.” In order to gauge permittee progress and ultimately to achieve the intention of this recommendation, however, we believe IDNR should provide additional guidance as to what might constitute “full cost of water.”

Section 3730.309 Reporting Requirements

- a) We support the deletion of “unavoidable leakage” as a separate factor to account for in the water system and believe the amount of water loss previously assigned under this

name will more appropriately be captured as part of “unaccounted-for flow” or the new term proposed above, “nonrevenue water.”

The requirement that permittees furnish “a copy of the current water rates for all consumers including an indication whether each water rate structure is declining, flat, or increasing” will, in and of itself, provide little indication as to how well a permittee water rate structure recovers the full supply cost of water service. We suggest that the following phrase be added, “flat, or increasing, and *how rates cover costs.*” Since these reporting requirements are prefaced with the statement, “as the Department may require on forms provided by the Department,” IDNR should develop a form that will capture the information included in the table above and other ‘best rate setting indicators’ that are readily available. We acknowledge that the current language of the proposed changes to rules and regulations *recommends* rather than *requires* that permittees develop water rates that reflect the full cost of water. We do not believe, however, that the distinction should prevent IDNR from developing a reporting mechanism to track permittee progress towards this stated intention.

Lastly, we suggest that email address be added to the contact information requested of permittees (13).

Sincerely,

A handwritten signature in black ink that reads "Donald P. Kopec". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Donald P. Kopec
Deputy Executive Director for Programming

DK/stk



VILLAGE OF DEERFIELD

April 4, 2013

Mr. Daniel Injerd, Chief
Lake Michigan Management Section
DNR/Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St, Suite S-700
Chicago, IL 60601

Regarding: Proposed Changes to the Rules and Regulations for the Allocation of Lake Michigan Water

Dear Mr. Injerd,

The Village of Deerfield appreciates this opportunity to reply to your February 13, 2013 request for comment on the proposed changes to the rules and regulations for the allocation of water from Lake Michigan.

The Village believes in water conservation as does the Department of Natural Resources. We have numerous programs to promote the efficient use and conservation of water for the community.

- For many years we have participated in odd / even sprinkling restrictions in addition to time of day limits.
- Our capital program for water main replacements costs \$500,000/ year on average.
- We have a program for upgrading and replacing water meters. We have two full time employees dedicated to the meter program.
- We have been conducting water meter testing, especially on the larger meters for several years. We started with the largest and are now down to the two inch meters.
- Conservation information is published periodically in the bi-monthly village newsletter, D-Tales.
- The Board of Trustees and the community have been very supportive of our water main replacement programs and have approved plans for large capital projects in the near future which include complete water main replacement.
- We have a very responsive water main break repair regimen and respond by lowering pressures immediately, and complete the repair as soon as JULIE locates are completed.
- Fire hydrants and valves are exercised and inspected annually throughout the village, including those on private property.

April 4, 2013
Mr. Daniel Injerd
Page 2 of 2

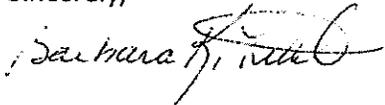
- We also have a professional leak detection expert go throughout the whole village annually and report all detected leaks.

Though the village continues to be pro-active with the water main replacement programs, there are miles of pipe in the ground that are old. A complete elimination of the unaccounted for flow (UFF) allowance will place this community out of compliance and leave the tax payers with the sense that the system is not properly maintained.

Rather than reducing or eliminating the UFF, which will have a punitive impact on Deerfield and many other water suppliers, we recommend a program(s) to reward communities which perform with best management practices. Most communities, including Deerfield need a broad based application of resources, both intellectual and monetary. More assistance is needed for communities to track down leaks, especially in winter. Isolation methods or low cost sub-system metering may be useful. Partner with leading institutions such as the Center for Neighborhood Technologies to bring new ideas and techniques to our local agencies.

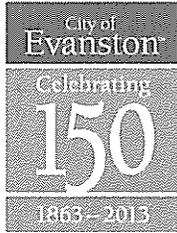
We appreciate your consideration of our request and urge you to reevaluate this proposed change.

Sincerely,



Barbara K. Little, P.E.
VILLAGE OF DEERFIELD
Director of Public Works and Engineering
465 Elm Street
Deerfield IL 60015
Ph: 847-317-2490
Fax: 847-317-7248
blittle@deerfield.il.us

Copy: Mayor Harriet E. Rosenthal
Kent Street, Village Manager



Utilities Department
555 Lincoln Street
Evanston, IL 60201
T 847.448-8198
F 847.475-8851
www.cityofevanston.org

March 25, 2013

Mr. Daniel Injerd,
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

RE: Proposed Changes to the Rules and Regulations for Allocation of Water from Lake Michigan

Dear Mr. Injerd,

With reference to the information regarding changes to the rules and regulations for Lake Michigan allocations and the subsequent effect on unaccounted for water values, multi-family building metering and rate structures, the City of Evanston Utilities Department (COE) would like to submit the following comments:

3730.102 Definitions- "Unaccounted for flow". The COE strongly objects to the removal of the Maximum Unavoidable Leakage Table. While we would agree that some modifications could be made, especially on pipe that is less than 20 years old, the elimination of this table appears to be overly onerous. We have a very aggressive leak location program but despite this fact there are still areas that due to the geographical location and geological makeup (sand) of the soil allow leaks to go undetected. Even reducing all gallons per minute (gpm) leak levels by half would be a more reasonable change to this portion of the Sub Part. In addition, we replace at least 1.5 miles of water main each year and would not object to removing all mains 20 years old or less from the calculation. The reason we see the removal of this table as a major issue lies in the fact that if we look at our last several LMO-2 reports, if the amount from the Maximum Unavoidable Leakage Table were to be removed, our unaccounted for flow would exceed the 8% limit. Again, we feel that we have a very aggressive program for the reduction of unaccounted for flow and are at a loss as to what other programs we could utilize to replace the values from the table.

3730.307 Conservation Practices and Other Permit Conditions (c) (2)-"Metering of all new construction, including sub-metering in all multi-family buildings". The COE Utilities

Department, along with staff from the Evanston Department of Community and Economic Development would also request that mandatory sub-metering be considered as one of several options for water conservation in these building as opposed to a requirement. The use of all low flow water devices in each unit of these buildings could serve as an additional option and audible based leak testing could be mandatory by building maintenance staff on an annual or semi-annual basis. The installation of meters in each unit is again onerous to both the developer/contractor as well as the municipality. While not only adding significantly to the cost of the development, the data collected from these additional metered sites would need to be managed and monitored and many Utilities and property owner/landlords do not have the staff or expertise necessary to utilize the data in a timely and appropriate fashion.

3730.307 Conservation Practices and Other Permit Conditions (f). The COE strongly objects to the mandate by the Department to recommend that water rates reflect the full cost of water. This recommendation, while laudable on the surface, could result in financial hardship for the residents of many communities. The rates and expenses that make up the water rate can unfortunately be easily manipulated as well which could reduce the overall effectiveness of this recommendation. Requiring more aggressive leak locating and maintenance of distribution systems could result in the same overall goal.

Thank you for allowing us the chance to comment on the proposed changes as some of the recommendations could have very profound effects on water utilities.

If you have any questions or comments, please feel free to contact me at 847-448-8198 or via email at klookis@cityofevanston.org.

Sincerely,



Kevin Lookis
Water Production Superintendent
City of Evanston Utilities Department

CC The Honorable Daniel Biss, Illinois State Senate, 9th District
The Honorable Laura Fine, Illinois House of Representatives, 17th District
David D. Stoneback, Director of Utilities, City of Evanston
James Casey, Water Resources Engineer, IDNR



VILLAGE OF FRANKLIN PARK

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April 11, 2013

Mr. Daniel Injerd
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 North LaSalle Street, Suite S-703
Chicago, IL 60601-3103

***Subject: Lake Michigan Water Allocation
Proposed Changes to Title 17, Chapter I, Subchapter h, Part 3730 Rules and Regulations
Village of Franklin Park Response***

Dear Mr. Injerd,

I am writing to provide you with the Village of Franklin Park's response to the subject proposed rule changes. The proposal to eliminate the provision for unavoidable leakage will have a significant adverse impact on our municipality. I must therefore, submit my objection to implementing this proposed change.

Franklin Park, like many older, established communities, is working to address the problems of an aging infrastructure within the funding limitations that are the reality of the current economic landscape. Our water distribution system dates back to the 1920's and consists of approximately 86 miles of water mains ranging in size from 4-inch to 24-inch in diameter. Village records indicate that the average age of our entire distribution system is approximately 60 to 70 years old with 71% of the water main having been installed prior to the 1950's.

The oldest portions of our distribution system consist of mostly 6-inch water main with a smaller percentage of the system being 4-inch main. These old, small-diameter mains make up approximately 33 miles, or 42% of our distribution system. These mains are smaller than the 8-inch diameter minimum that is the current industry standard, and are the primary source of water main breaks in the Village. The Village currently experiences water main breaks at a higher rate than the industry average.

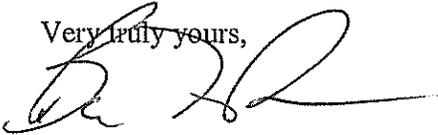
A 2012 asset management study prepared for the village included a cost estimate of approximately \$53,836,000 to replace all 33 miles of these small-diameter mains. This estimate is based on recent construction costs and includes only the water system costs, not street repair and restoration. Given the magnitude of these costs, even with a modestly aggressive annual water main replacement program, it would take the Village a decade or more to completely upgrade this undersized, leak-prone portion of our distribution system.

The Village of Franklin Park wholeheartedly supports the IDNR's efforts to conserve water and to be a good steward of Lake Michigan's natural resources. In addition, Franklin Park, like any municipality in

a similar situation, has a large incentive to reduce and eliminate water leakage since the Village is still being charged for this lost water without any subsequent reimbursement. Similarly, we would rather devote the resources currently being expended to repair the existing distribution system to keep it operational toward other improvements in our community. However, we need a reasonable period of time to bring our domestic water system into compliance. Without such a phase-in period, the sudden elimination of the unavoidable leakage allowance will place an extreme and undue burden on us as a municipal allocation permittee.

I thank you for your consideration of our concerns. Should you require any additional information about Franklin Park's potable water distribution and storage system, please contact Mr. Steve Scheffel, Village Engineer, at (847) 671-8304.

Very truly yours,



Barrett F. Pedersen
Village President

cc: Joe Lauro – Utilities Commissioner, Village of Franklin Park
Pete Cajigas – Water Superintendent, Village of Franklin Park
Joe Thomas – Smith-LaSalle Consulting Engineers
Dave Talbott - Smith-LaSalle Consulting Engineers
Steve Scheffel - Village Engineer, Village of Franklin Park

Department of Public Works
Village of Glencoe
675 Village Court
Glencoe, Illinois 60022



Phone 847.835.4111
FAX 847.835.4234
www.villageofglencoe.org

April 3, 2013

Mr. Daniel Injerd,
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

RE: Proposed Changes to the Rules and Regulations for the Allocation of Water from Lake Michigan

Dear Mr. Injerd:

With reference to the information regarding changes to the rules and regulations for Lake Michigan allocations and the subsequent effect on unaccounted for water values, multi-family building metering and rate structures, the Glencoe Water Utility would like to submit the following comments:

3730.102 Definitions- "Unaccounted for flow". The Glencoe Water Utility strongly objects to the removal of the Maximum Unavoidable Leakage Table. While we would agree that some modifications could be made, especially on pipe that is less than 20 years old, the elimination of this table appears to be onerous. Even reducing all gallons per minute (gpm) leak levels by half would be a more reasonable change to this portion of the Sub Part. In addition, we have replaced and upgraded water mains each year for at least the last ten years and would not object to removing all mains 20 years old or less from the calculation. The reason we see the removal of this table as a major issue lies in the fact that if we look at our last several LMO-2 reports, if the amount from the Maximum Unavoidable Leakage Table were to be removed, our unaccounted for flow would exceed the 8% limit. Again, we feel that we have a very aggressive program for the reduction of unaccounted for flow and are at a loss as to what other programs we could utilize to replace the values from the table.

3730.307 Conservation Practices and Other Permit Conditions (c) (2)-"Metering of all new construction, including sub-metering in all multi-family buildings". The Village of

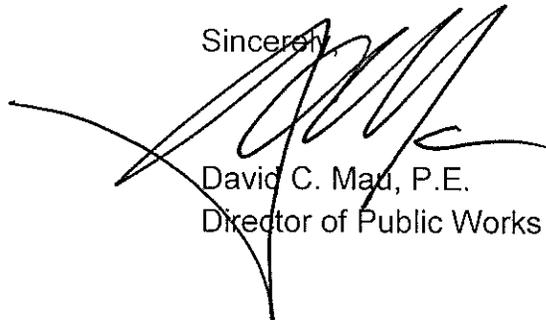
Glencoe Utilities Department believes that mandatory sub-metering be considered as one of several options for water conservation in these building as opposed to a requirement. The use of all low flow water devices in each unit of these buildings could serve as an additional option and audible based leak testing could be mandatory by building maintenance staff on an annual or semi-annual basis. The installation of meters in each unit is again onerous to both the developer/contractor as well as the municipality. While not only adding significantly to the cost of the development, the data collected from these additional metered sites would need to be managed and monitored and many Utilities and property owner/landlords do not have the staff or expertise necessary to utilize the data in a timely and appropriate fashion.

3730.307 Conservation Practices and Other Permit Conditions (f). The Village of Glencoe strongly objects to the mandate by the Department to recommend that water rates reflect the full cost of water. This recommendation, while laudable on the surface, could result in financial hardship for the residents of many communities. The rates and expenses that make up the water rate can unfortunately be easily manipulated as well which could reduce the overall effectiveness of this recommendation. Requiring more aggressive leak locating and maintenance of distribution systems could result in the same overall goal.

Thank you for allowing us the chance to comment on the proposed changes as some of the recommendations could have very profound effects on water utilities.

If you have any questions or comments, please feel free to contact me at 847-835-4111.

Sincerely,

A handwritten signature in black ink, appearing to read 'David C. Mau', is written over the typed name and title.

David C. Mau, P.E.
Director of Public Works

cc: Paul M. Harlow, Village Manager
Michael A. Moran, General Superintendent
Tom Weathers, Water Plant Superintendent

April 5, 2013

Mr. Daniel Injerd,
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

RE: Proposed Changes to the Rules and Regulations for the Allocation of Water from Lake Michigan

Dear Mr. Injerd,

With reference to the proposed changes to the rules and regulations for Lake Michigan allocations and the subsequent effect on unaccounted for water values, multi-family building metering and rate structures, the Village Of Glenview would like to submit the following comments:

3730.102 Definitions- "Unaccounted for flow". The Village of Glenview strongly objects to the removal of the Maximum Unavoidable Leakage Table. While we would agree that some modifications could be made over time, the immediate elimination of this table appears to be overly onerous. The reason we see the removal of this table as a major issue lies in the fact that if we look at our last several LMO-2 reports, if the amount from the Maximum Unavoidable Leakage Table were to be removed, our unaccounted for flow would exceed the 8% limit. Again, we feel that we are taking aggressive steps to reduce the unaccounted for flow. Unless funding mechanisms are provided and expanded as well as a phased approach is implemented, the resources necessary to rehabilitate water mains in long standing communities with older, but still adequate systems, like Glenview and others are inadequate.

3730.307 Conservation Practices and Other Permit Conditions (c)(2)-"Metering of all new construction, including sub-metering in all multi-family buildings". The Village of Glenview would also request that mandatory sub-metering be one of several options for water conservation in these building as opposed to a requirement. The use of all low flow water devices in each unit of these buildings could serve as an additional option

and audible based leak testing could be mandatory by building maintenance staff on an annual or semi-annual basis. The installation of meters in each unit is again onerous to both the developer/contractor as well as the municipality. Necessary resources of staff and funds would be diverted away from maintaining the other infrastructure of the water system.

3730.307 Conservation Practices and Other Permit Conditions (f). The Village of Glenview objects to the mandate by the Department to recommend that water rates reflect the full cost of water. This recommendation, while laudable on the surface, could result in financial hardship for the residents of many communities and actually reduce needed revenues for ongoing maintenance. The rates and expenses that make up the water rate can unfortunately be easily manipulated as well which could reduce the overall effectiveness of this recommendation. Requiring more aggressive leak locating and maintenance of distribution systems could result in the same overall goal.

Finally, we recommend that the IDNR meet with local officials to explain the final rule changes and how it will impact the various communities that fall under the IDNR Lake Michigan Allocation Regulations. We know that water professionals are already informing their governing authorities of the proposed changes in the communities they serve. Community leaders, however, are asking questions that frankly the water professionals cannot answer.

Thank you for allowing us the chance to comment on the proposed changes as some of the recommendations could have very profound effects on water utilities.

If you have any questions or comments, please feel free to contact me at 847-904-4541 or via e-mail rdoescher@glenview.il.us

Robyn Doescher, Water Utility Manger

Village of Glenview

1333 Shermer Rd

Glenview, Il 60026



April 4, 2013

Mr. Daniel Injerd
Illinois Department of Natural Resources
Office of Water Resources, Michael A. Bilandic Building
160 N. LaSalle Street, Suite S-703
Chicago, IL 60601

Re: Lake Michigan Water Allocation Proposed Rule Changes

Dear Mr. Injerd,

We appreciate your advising us of the proposed rule changes for Lake Michigan water users/allocation. The Village of Grayslake would like to go on record in opposition to one of the proposed changes, specifically the elimination of the allowance for "Unavoidable Leakage" of water in our distribution system.

We believe that the elimination of this element of the LMO calculation will place an undue hardship on many municipal water systems. As a high priority Village program, Grayslake aggressively replaced 90% of existing watermains in the 1980's and 1990's. Because of this, Grayslake does not experience large amounts of unaccounted-for-water in our system.

The elimination of the allowance will place many communities in a position to be unable to meet the 8% unaccounted-for-flow standard. While Grayslake will be considerably under the existing, or the new total for the unaccounted-for-water threshold, we recognize that other communities will have great difficulties meeting the new standard, if adopted.

In municipal water systems there must be an allowance for the age and the various types of pipe materials that are used.

We request that the provision for calculating unavoidable leakage in a water system be retained unless a suitable method of calculation can be established that accounts for the realities of operating a water system.

Please let us know if you have any questions regarding our comments. We thank you for your time and consideration of this request.

Sincerely,

Michael J. Ellis
Village Manager

cc: Village of Grayslake Board of Trustees
Central Lake County JAWA Communities

Mayor: Rhett Taylor
Trustees: Bruce R. Bassett - Jeff Werfel - Amy Edwards - Shawn M. Vogel - Ronald L. Jarvis - Kevin D. Waldenstrom
Village Clerk: Cynthia E. Lee



Village of Green Oaks

2020 O'Plaine Road · Green Oaks, IL 60048 · (847)362-5363 · Fax (847)362-5375

March 29, 2013

Village President
Bernard Wysocki

Mr. Daniel Injerd, Chief
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle Street, Suite S-703
Chicago, IL 60601

Re: Proposed Rule Changes for Lake Michigan Water Allocation

Trustees
Dennis Dorsey
Daniel J. Sugrue
Patricia M. Milroy
Patricia P. Thomas
John Wagener
Virginia Wood

Dear Mr. Injerd:

We have reviewed the proposed Lake Michigan Water Allocation Rule Changes which were recently disseminated by your office.

The proposed change to Section 3730.307, Subpart c) 8) modifies the lawn sprinkling requirement to add the following time of day restriction: "lawn sprinkling will not be allowed between the hours of 10 a.m. and 4 p.m. nor on consecutive days." Article 3-5-7 of our Village Code currently restricts lawn sprinkling between the hours of 12 noon and 6 p.m.. Because our current restriction is for a six hour mid-day period similar to that being proposed, and our residents have become accustomed to this schedule, we hereby request that rule changes also allow the hours of 12 noon to 6 p.m. to be acceptable time of day restriction.

Village Administrator
Elaine Palmer

Thank you for your consideration.

Sincerely,

VILLAGE OF GREEN OAKS

Bernard Wysocki
Village President

Village Clerk
Clare Michelotti

cc: Village Board of Trustees - Green Oaks
Mrs. Elaine Palmer, Village Administrator - Green Oaks



CITY OF HIGHLAND PARK

1707 ST. JOHNS AVENUE
HIGHLAND PARK, ILLINOIS 60035
(847) 432-0800

March 12, 2013

Daniel Injerd, Chief
Lake Michigan Management Section
DNR/Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-700
Chicago, IL 60601

Re: Proposed Changes to the Rules and Regulations for the Allocation of Water from Lake Michigan

Dear Mr. Injerd,

This is in reply to your email of February 19, 2013. Thank you for the opportunity to comment on these proposals. While the goal of the Department to reduce water waste is one which we share, we are troubled by the approach proposed to reach that goal.

Although the Maximum Unavoidable Leakage (MUL) allowance was first permitted thirty years ago, most of our pipelines are much older than that. Mayor Emanuel's recent doubling of the Chicago water rate to accelerate the pace at which water mains are replaced is testament to the age and maintenance needs of the region's underground water infrastructure. The conditions that justified the MUL allowance thirty years ago persist. Some might argue that they are more valid today since many miles of pipeline are that much older and thus more likely to experience unavoidable leakage.

Outright elimination of the MUL allowance without offsetting rule changes will merely serve to put many, if not most, permittees out of compliance with the 8% Unaccounted For Flow (UFF) limit. If the Department's intent is to put political pressure on the managers of water utilities, we expect that it will succeed. However, without the necessary resources to address the many and complicated factors that make up UFF, no real change will be accomplished.



As you know, UFF is more than leaky pipes. Listed below are the various sources of UFF that we have encountered at Highland Park and are addressing them as practically as possible:

1. It includes 'apparent losses' that result from inaccuracies in the large 'master meters' at water plants and pump stations. Calibration of these large meters is difficult and imprecise, the accuracy of the reading are not perfected yet Larger meters have correspondingly large error bands. They are historically sized for a wide range of flows from low wintertime demands to the highest summertime/drought demands. Accuracy across such a wide range is problematic and usually sacrifices accuracy at the low flow ranges.
2. Other potential sources of 'apparent losses' exist in the water treatment process where filter backwash recycle streams, chemical feed water supply, on-line instrumentation sample supply etc. must be accounted for.
3. Meters in the distribution system are another source of 'apparent losses'. For many years, customers who were willing to pay for oversized water meters so that they could fill pools, spas etc. faster were allowed to do so without consideration for the consequential loss of accuracy at very low flows. This has resulted in considerable under registration of such things as small leaks, running toilets, ice makers and humidifiers.
4. Of course, there are also leaks. With joints every sixteen feet, a city with several hundred miles of pipeline and tens of thousands of service connections will experience leaks. There REALLY IS such a thing as MAXIMUM UNAVOIDABLE LEAKAGE. The question is, what is a fair and reasonable MUL?

Rather than simply eliminating or even reducing the MUL, we request a better approach be adopted for a more comprehensive approach to identification of real and apparent losses so that the appropriate corrective measure can be taken. The protocol of the American Water Works Association's Water Loss Control Committee's Water Audit Software should be considered.

We have dabbled with this tool and would gladly participate should the Department wish to conduct a trial comparison of the AWWA Water Audit to LM02 methodology. We support the concept that permittees with 'excessive' UFF be required to implement conservation best practices.

The City of Highland Park has always been a leader with the water conservation efforts. This spring the City Council approved a Water Conservation and Efficiency (WCE) initiative policy to entail implementation of several water waste reduction measures. The WCE initiatives are:

- Tiered Rate Plan effective July 1, 2013
- Odd/Even Sprinkling Restrictions
- Smart Sensors Installation on New Lawn Sprinkling Systems effective May 1, 2013
- Public Education on Water Conservation & Efficiency

The City of Highland Park recognizes the importance of responsibly managing our water resources and has taken proactive measures to create efficiencies in its water distribution. The three-tiered rate plan applies to all residential properties in which citizens utilizing a higher volume of water will pay a higher water rate. Sprinkling restrictions limit lawn irrigation to odd/even days that correspond with the property's address. All newly installed lawn irrigation systems are to be equipped with soil moisture sensors that meet USEPA WaterSense standard.

Toward that end, Highland Park has an aggressive program of leak surveillance and repair coupled with a Master Plan for water meter and pipelines replacement. We share your goal of more efficient use and conservation of water. In addition to the benefits to the Great Lakes, reduced water consumption means reduced electricity and chemical use with the obvious environmental and financial benefits.

We urge you to reconsider this change.

Sincerely,



Donald M. Jensen,

Superintendent Water Production

djensen@cityhphil.com - Tel 847-433-4355 - FAX 847-926-1193

Cc: Mayor Nancy R. Rotering
Dave Knapp, City Manager
Ramesh Kanapareddy, P.E., CFM, Director of Public Works



April 5, 2013

TO: Daniel Injerd, Chief
James Casey, Water Resources Engineer

FROM: Joseph L. Pisano
Village of Hillside

SUBJECT: IDNR Revisions to LMO-2 Comments:

Summary:

We have reviewed the proposed rule changes that may/will have implications to communities that have and maintain Lake Michigan Water Allocations. The Comments are listed in a priority based on impact to our community and other communities that receive Lake Michigan Water.

1. Elimination of Maximum Unavoidable Leakage.

Comments:

Under the proposed rules change, the Maximum Unavoidable Leakage component would be eliminated causing the Maximum Unavoidable Leakage allowance in the future to become part of the Total Unaccounted for Flow percentage for communities. At the same time, IDNR is not proposing to change the 8% threshold used to require communities to prepare compliance plans.

The immediate concern is that under the proposed rule change to eliminate Maximum Unavoidable Leakage, many of the permittees that are not be in a position to meet the 8% standard will be required to do so to under this proposed rule change and would be forced to submit a compliance plan that undoubtedly would include significant capital expenditures and a lengthy time frame to realistically obtain the IDNR goal of 8%.

2. Requirement for use of “Water Sense” labeled fixtures in new and replacement plumbing fixtures.

Comments:

Over the last several years water consumption has been observed trending downward due to a number of factors but the most of all costs associated with purchase. The concern is that although usage is lower, many cost factors of providing water are either fixed or increasing. Selling less water at higher cost of production translates to the need to adjust water rates to generate sufficient revenue to cover the cost of production.

3. IDNR recommendation that water rates reflect the full cost of water.

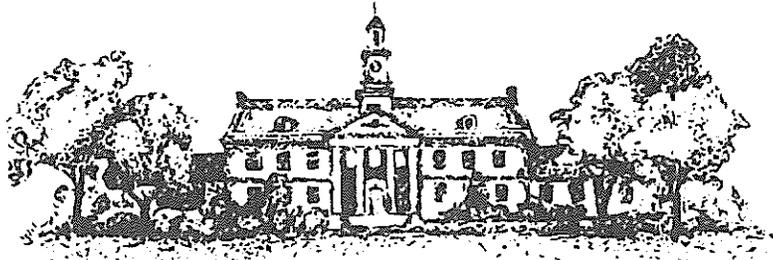
Comments:

As stated earlier, the impact of water rates reflecting the full cost of water are tied to a lower annual usage by most permittees. In recent years, communities have had to increase their water rates due to many operational issues including massive increases from the City of Chicago. The fact that water usage is shirking and fixed costs are rising it would stand to reason that water rates would increase exponentially and disproportionate to incomes. It is important to understand the true impact of the slope this proposed rule would poise for communities.

Thank you in advance for consideration in these matters and the opportunity to express our opinion.

Very Truly Yours,

Joseph L. Pisano
Director of Public Works
Village of Hillside



**VILLAGE
OF HINSDALE** FOUNDED IN 1873
19 EAST CHICAGO AVENUE
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Village Website: <http://www.villageofhinsdale.org>

POLICE DEPARTMENT 789-7070
FIRE DEPARTMENT 789-7060
121 SYMONDS DRIVE

VILLAGE PRESIDENT
Tom Cauley

TRUSTEES
J. Kimberley Angelo
Christopher J. Elder
Doug Geoga
William N. Haarlow
Laura LaPlaca
Bob Saigh

Daniel Injerd, Chief

April 2, 2013,

Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

Re: Hinsdale Comment Letter_Proposed Rule Changes Lake Michigan Water Allocation
Sent via USPS and email to dan.injerd@illinois.gov

Dear Mr. Injerd:

Thank you for the opportunity to review and comment on the Department's proposed changes to the Rules and Regulations for the Allocation of Water from Lake Michigan. The Village of Hinsdale offers the following comments and suggested modifications to the proposal as drafted.

1) Unavoidable Leakage

All systems, no matter the age or size, have some amount of unavoidable leakage which is a function of the length, pressure, material used, and age of the mains and services. Some of this unavoidable leakage can go undetected due to location and low flow rate. These losses are currently reflected in the IDNR calculation for unavoidable leakage.

The fact is old infrastructure is a nation wide problem. The Village of Hinsdale currently has 81.6 miles of water main. 41 miles (over half) of the water main is cast iron aged 60 years or greater with the remaining amount aged accordingly. Over the last twenty years of LMO-2 audits, the Village of Hinsdale has averaged 7.812%¹ of Maximum Unavoidable Leakage to Net Annual Pumpage. Abolishing the use of unavoidable leakage from the equation would leave the Village of Hinsdale with a .188% margin of error to exceed 8%. For example, consider the acceptable standard for new, rebuilt, and repaired cold water

¹ Number computed using the IDNR Maximum Unavoidable Leakage Worksheet.



meters: 98.5%-101.5% Normal flow and 95%-101% minimum flow². The acceptable range of a **new water meter** exceeds our margin of error by 1.312% on normal flow and 4.812% on minimum flow, resulting in a violation of the 8% rule.

The only way to decrease the effect of unavoidable leakage is by replacement/rehabilitation. The Village of Hinsdale is currently executing a main replacement program, but it will take years to replace numerous miles of old cast iron pipe. Abruptly eliminating unavoidable leakage from the equation is an unrealistic hurdle to overcome given the proposed criteria and time frame.

2) Conservation Practices

The Village of Hinsdale currently implements an odd/even address to date system. Permitted sprinkling time is 6 a.m. to 10 a.m. and 6 p.m. to 10 p.m. No sprinkling on the 31st of the month. Presenting the restrictions in a positive manner (can do) is a much more productive practice than the proposed negative (can't do) approach.

The "Water Sense" fixture and irrigation controller maybe be an idea in the right direction but should be a decision made by each community on how and what type of fixture to implement. Ultimately, it is the responsibility of the municipality to implement and enforce conservation efforts and requirements.

Respectfully



George Franco

Director of Public Services

630-789-7041

² Section 4.2.8 of ANSI/AWWA C 700 and AWWA Manual M6, Water-Meters- Selection, Installation, Testing, and Maintenance Table 5-3 pg. 52



**ILLINOIS
AMERICAN WATER**

April 4, 2013

Michael A. Smyth
Senior Manager
Field Services and Production
Chicago Metro Division
Illinois American Water
1000 Internationale Pkwy.
Woodridge, IL 60517

Daniel Injerd, Chief
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601
Via Email

Re: Proposed Rule Changes for Lake Michigan Water Allocation

Dear Mr. Injerd:

On behalf of our Company, I would like to thank you for the opportunity to provide comment on the proposed Lake Michigan Water Allocation Rules and Regulations. Illinois American Water (IAW) is an advocate for many of the proposed rule changes and while there will be challenges faced by all permittees, the benefits of a modern day reporting tool will be substantial over time. Some of the important benefits include investment in our water systems that can be managed more efficiently, adoption of true cost of water pricing statewide, and more accurate representation of water loss.

Implementation of the proposed 8% limit change would likely cause intensive capital investment within the 2 year timeframe currently in the LMO-2 rules. To assist all permittees in this process, we recommend modifying the 8% allowance requirement to a 5 to 10 year period or phasing out the Maximum Unavoidable Leakage (MUL). Providing permittees a longer period to address the change will allow a gradual increase in revenue requirements thus mitigating potential impacts to rate payers. If time frames cannot be adjusted, we recommend adoption of the AWWA methodology found in the M36 manual for water loss control.

All water systems have some level of leakage and there is not a cost effective way to remove all leakage. According to the AWWA M36 manual, water loss that can not be removed is Unavoidable Annual Real Losses (UARL). Having said that, this doesn't mean we cannot do anything to reduce this to the most minimal amount. The AWWA looks at areas of a water system other than age of pipe. The UARL looks at pressure and the amount of service connections. For example, good pressure management practices can lower loss by avoiding fluctuations inside the water main that can create joint separations causing leaks and eventually main breaks.

Through this increased time frame for adjustment, permittees can develop their investment strategy to stay within requirements by the IDNR and/or the ICC (as is the case for regulated utility companies) for their rate payers. The proposed rule changes will allow

permittees to more accurately track true water loss as well as develop an analytical tool to identify priority based investments to effectively improve our water systems.

As mentioned earlier, Illinois American Water has been an advocate and has worked on educating the local area on full cost pricing, which should be adopted by all water utilities. Designing water rates to provide funding for the full scale of operations allows utilities to plan for systemic asset management over a long-term period. Full cost pricing provides a viable revenue stream while also encouraging water conservation. By requiring the adoption of full cost pricing, the IDNR is giving utilities the opportunity to sustainably fund operations and reinvest in improvements to their systems to an appropriate level. Across the nation, we are behind in water infrastructure investment and this change will help move our state forward.

IAW concurs with the IDNR's conservation efforts with proposed rule changes with outside water use and installation of efficient plumbing fixtures in homes. However, we do not have the ordinance authority to enforce these requirements.

There is benefit that IDNR can gain by these rule changes as well. If permittees are required to track and report more accurate data without allowed losses, the IDNR could manage more comprehensive water resource management across the area. With the MUL a water system can also result in a negative percentage. This distorts the true losses of the system. This is common with older, well maintained systems and would give the system owner and the IDNR false data of its performance.

In conclusion, with new metering technologies, new conservation initiatives, and more restrictive usage directives, we have become more vigilant in water loss. The rule change to the IDNR LMO-2 will help all permittees to better understand the infrastructure needs of water systems so investment can be made prudently and efficiently. We will better identify infrastructure improvement opportunities and more accurately portray real losses. This would also enable the IDNR to make more informed decisions about future Lake Michigan water allocations to current and potential users.

Respectfully,



Michael A. Smyth
Senior Manager of Field Services
and Production



Timothy Morris
Operations Supervisor

cc: Kevin Hillen, Operations Superintendent
Richard Hermann, Engineering Manager



R. DREW IRVIN
VILLAGE ADMINISTRATOR

April 4, 2013

VIA U.S. MAIL and Email (dan.injerd@illinois.gov) and (james.casey@illinois.gov)

Mr. Daniel Injerd
State of Illinois
Department of Natural Resources
1234 Main Street
Springfield, Illinois 60124

Subject: Lake Michigan Water Allocation Proposed Rule Changes

Dear Mr. Injerd:

This is in response to the Department of Natural Resource's e-mail of February 19, 2013 regarding proposed Lake Michigan Water Allocation Rule Changes. Thank you for providing the opportunity to comment on the proposed changes.

The Village of Lake Bluff supports the Department's goal to reduce water waste; however, the Village of Lake Bluff is opposed to the specific proposal to eliminate the "Unavoidable leakage" provisions of the regulation. In municipal water systems there must be a leakage allowance based on the age and various types of pipe materials used. Ductile and cast iron water piping systems with gasketed joints, and various other high quality water distribution piping systems do have a minimal amount of unavoidable leakage. This leakage cannot be simply legislated away without any practical means to address the countless number of joints that exists in municipal piping systems that utilize Lake Michigan water. Given current water distribution pipe technology, it is not reasonable to require that absolutely no minimum leakage can occur at pipe joints including brand new piping systems currently being installed.

It is evident based on the differences between summer and winter water use totals in municipalities that a significant volume of water is utilized for landscape irrigation. At this time it would be far better to focus on irrigation system water waste. Therefore, the Village of Lake Bluff supports the proposed regulation changes that focus on decreasing water used for landscape irrigation.

Finally, the following minor suggestions are forwarded for your consideration:

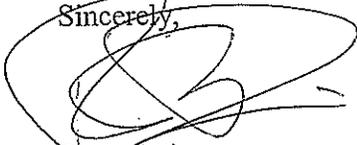
- Provide a definition for the term "WaterSense". USEPA references to the term "WaterSense" generally have this term as one word, "WaterSense", not two words "Water Sense" as listed in the proposed regulation changes;
- Provide a clear definition for the terms "new lawn" and "established lawn;" and

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Telephone (847) 234-0774 Fax (847) 234-7254
E-Mail: vlb@lakebluff.org

- The proposed sentence in Section 3730.307.c.8 reads as follows: *“As a minimum, these restrictions shall provide that unrestricted lawn sprinkling on established lawns will not be allowed from May 15 – September 15 of each year and that lawn sprinkling will not be allowed between the hours of 10am – 4pm nor on consecutive days.”* This sentence should be changed to two sentences to eliminate the ambiguity that is created with the reference to “established lawns” and applicability of the various provisions cited. The following would improve the clarity of this important regulation. *“These restrictions shall provide that unrestricted lawn sprinkling will not be allowed from May 15 through September 15 by requiring as a minimum that lawn sprinkling shall not occur on consecutive days nor shall any lawn sprinkling occur between the hours of 10am and 4pm on any day. New lawns that are not established are exempt from this provision.”*

Please do not hesitate to contact me if you have any questions. The Village of Lake Bluff thanks you for your time and consideration of our comments.

Sincerely,



Drew Irvin
Village Administrator

CC: George Russell, Village Engineer



April 5, 2013

Mr. Daniel Injerd, Chief Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

Re: Proposed Lake Michigan Water Allocation Rule Changes

Dear Mr. Injerd:

The removal of the MUL will add 102.7 MG per year of unaccounted for water that may put The City of Lake Forest out of compliance with the 8% standard for unaccounted for flow. The City offers the following comments for your consideration.

1. In 2004 -2005, The City of Lake Forest upgraded all of its water meters. The new meters provide a higher accuracy of water metered and is used to compare the meter reads against water pumped from the City's Water Plant.
2. In addition, the City reads every meter on the 1st of each month. This allows for a month-to-month comparison to determine if any large discrepancies in unaccounted for flow exist. City staff immediately investigates such discrepancies.
3. The City contracts with a third party leak detection service each year to perform a leak detection survey of the entire water main, hydrant, valve, and service line system. This has become an annual City priority beginning four years ago.
4. Half of water meters 3" and larger are tested each year by a third party testing company.

All of these efforts are being put forth to reduce the City's unaccounted for flow. The City of Lake Forest requests that the IDNR consider applying credit to those agencies that put forth such efforts to reduce their unaccounted for flow.

The City of Lake Forest appreciates the opportunity to comment on the proposed rule changes and looks forward to a continued strong working relationship with the IDNR.

Sincerely,

A handwritten signature in black ink that reads "Michael Thomas". The signature is written in a cursive, flowing style.

Michael Thomas
Director of Public Works



April 1, 2013

Mr. Daniel Injerd
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, Illinois 60601

Subject: Lake Michigan Water Allocation Proposed Rule Changes

Dear Mr. Injerd:

We appreciate your advising us of the proposed rule changes for Lake Michigan water users/allocations. The Village of Libertyville would like to go on record in opposition to one of the proposed changes, specifically the elimination of the allowance for "Unavoidable Leakage" of water in our distribution system.

We believe that the elimination of this element of the LMO calculation will place an undue hardship on many municipal water supplies. The Village of Libertyville took a great deal of time when we received our Lake Michigan allocation to accurately inventory our entire distribution system to determine the precise criteria to ensure a calculation of our water loss.

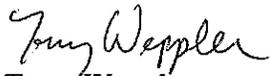
The elimination of these criteria will place us in a position to be unable to meet the 8% unaccounted-for-flow standard. We currently perform an annual leak detection survey on one half of our distribution system and repair all leaks that are found. We also have an aggressive program to replace aging water mains, along with a program to remove and replace larger sized water meters to ensure accuracy of our high volume consumers. We are doing these things at considerable cost to ensure the least amount of unaccounted water in our system.

In municipal water systems there must be an allowance for the age and the various types of pipe materials that are used.

We request that the provision for calculating unavoidable leakage in a water system be retained unless a suitable method of calculation can be established that accounts for the realities of operating a water system.

Please let us know if you have any questions regarding our comments. We thank you for your time and consideration of our request.

Sincerely,

A handwritten signature in cursive script that reads "Terry Weppler".

Terry Weppler

Mayor, Village of Libertyville

Cc: Village of Libertyville Board of Trustees
Central Lake County JAWA Communities
Kevin Bowens, Village Administrator
John Heinz, Director of Public Works



VILLAGE OF LOMBARD

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March 29, 2013

Acting Village President
William "Bill" Ware

Village Clerk
Brigitte O'Brien

Trustees
Greg Alan Gron, Dist. 1
Keith T. Giagnorio, Dist. 2
Zachary C. Wilson, Dist. 3
Peter Breen, Dist. 4
Laura A. Fitzpatrick, Dist. 5
William "Bill" Ware, Dist. 6

Village Manager
David A. Hulseberg

"Our shared Vision for Lombard is a community of excellence exemplified by its government working together with residents and businesses to create a distinctive sense of spirit and an outstanding quality of life."

"The Mission of the Village of Lombard is to provide superior and responsive governmental services to the people of Lombard."

Daniel Injerd
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

Re: Village of Lombard Comment Letter
Proposed Rule Changes Lake Michigan Water Allocation
Sent via USPS and via email to dan.injerd@illinois.gov

Dear Mr. Injerd:

Thank you for the opportunity to review and comment on the Department's proposed changes to the Rules and Regulations for the Allocation of Water from Lake Michigan. The Village of Lombard has reviewed the proposed rule changes and offers the following comments and offers suggested modifications to the proposal rule changes.

Section 3730.102 - Definitions

Please note that the term of "unaccounted for flow" is not consistent with the terms recommended by the American Water Works Association (AWWA).

All systems, no matter the age, have some amount of unavoidable leakage which is a function of the pressure, length, and age of the water mains and water services. Some of the unavoidable leakage is due to individual events that have flow rates that are too low to be detected by acoustic leak detection techniques. These losses are reflected in the current IDNR calculation for unavoidable leakage.

The proposed rule change would require the system operators to include these losses as a part of the unaccounted for flow. However unavoidable leakage is a reality of system operation and should not be included in the overall unaccounted for flow. Under the proposed rules, the ability for system operators to determine the impact of conservation efforts and operations and maintenance activities designed to reduce unaccounted for flow will be difficult, if not impossible. An additional effect of the proposed rule change will be the inability to effectively compare historical data, which is vital to system operators.

In the event that IDNR effectuates the rule change that requires that the unavoidable leakage be included toward the 8% threshold, other formulas used to determine unaccounted for flow should be modified to reflect other unbilled usage that is tracked by the system operators. This would result in accurate data being included as part of the calculation. Additionally the artificial 1% cap on this usage that is currently in place should be eliminated.

Section 3730.304 a) - Water Needs Criteria

This section references the requirement that unaccounted for flows cannot exceed 8% of annual pumpage. The existing calculations on the LMO-2 form provide for a maximum usage of 1% under the "hydrant uses" category. However the actual total of items under the "hydrant uses" category of flushing, sewer cleaning, street cleaning, construction, etc. will exceed 1%.

It is unclear why unavoidable leakage will not be calculated, but the actual items being tracked are being artificially capped. This will create situations where the numbers inaccurately indicate a larger than actual unaccounted for flow, caused by artificial limits in the formulas being used. This usage is not "unaccounted for flow" rather it is simply non-revenue usage that comes with operating the system.

It is the Village of Lombard's position that the final formula developed and implemented by the Department should provide a clear delineation between unaccounted for flow and non-revenue usage.

Section 3730.307 - Conservation Practices and Other Permit Conditions

b.). The same comments from 3730.304 apply to the language proposed here, especially that the final formula promulgated by the Department should provide a clear delineation between unaccounted for flow and unbilled flow.

c.2.). It is assumed that the goal with requiring sub-metering in multi-family buildings is to encourage conservation by individual units. However, there is no definition within the rules as to what constitutes multi-family. The rules also do not address situations where the cost for water is paid for through an association fee based on a master meter for the complex and includes water usage outside the unit but within the complex. In these cases, the billing done by Lombard would continue to be done off the master meter; therefore the sub-meters would not serve a purpose. The Village would also be concerned about the additional cost to property owners for the metering and the need to allocate the space within units to account for the plumbing and floor space and meter closets for the devices through-out the building.

c.4.). The "Water Sense" fixture requirement is an unfunded mandate that may require the Village to amend the local codes. The Village has, and continues to support conservation efforts; however, the decision on the implementation of conservation measures should not be punitive towards the customers.

c.8.). The same concerns expressed by the Village of Lombard relative to c.4. exist for the proposed "Water Sense" irrigation controller requirement.

Should you have any questions regarding this information, please feel free to contact Carl Goldsmith, Director of Public Works at goldsmithc@villageoflombard.org or at (630) 620-5740. On behalf of the Village of Lombard, I would like to thank you for the opportunity to provide comment on the proposed rules.

Respectfully,



William "Bill" Ware
Acting Village President

cc: David Hulseberg, Village Manager
Carl Goldsmith, Director of Public Works
Angela Podesta, Utilities Superintendent

Dan and James,

I was just informed that IDNR is considering a rule change for Lake Michigan water allocations. I know the proposed change eliminates the definition of unavoidable leakage and the methodology for determining unavoidable leakage. Additionally, The rule keeps the unaccounted-for-flow standard at 8% of net annual pumpage, even though the allowance for unavoidable leakage has been eliminated. Has IDNR looked at how many water systems may become noncompliant due to the rule change? I know that each system is unique in age and character, so it may be hard to estimate; however, I wanted to check. Thanks in advance for your help.

Chris

Christopher Staron
Program Associate for Transportation
Northwest Municipal Conference
1616 East Golf Road
Des Plaines, IL 60016
847.296.9200 x31
847.296.9207 fax
cstaron@nwmc-coq.org



April 5, 2013

Mr. Dan Injerd
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources, Michael A. Bilandic Building
160 N. LaSalle Street, Suite S-700
Chicago, IL 60601

Re: Lake Michigan Water Allocation Rule Change

Dear Mr. Injerd:

On behalf of the Metro West Council of Government (MWCOCG) this letter is to respectfully propose a modification to the rules for Allocation of Water from Lake Michigan. We are specifically requesting a modification to Section 3730.307 Conservation Practices and other Permit Conditions, paragraph d. The proposed language for the modification is attached to this letter.

The MWCOCG communities rely on groundwater and inland surface water (Fox River) for their water supply source. Many of our communities rely heavily on water supply from the Deep Aquifer. Illinois State Water Survey (ISWS) has reported that the Chicago region is currently withdrawing water in excess of the aquifer's ability to recharge itself. This is resulting in declining water levels and challenges to water quality. Many communities simply may not have alternate water supply resources available to them within their planning jurisdiction and will remain highly dependent on the Deep Aquifer unless an alternate regional supply source(s) can be utilized. MWCOCG, in an effort to reduce withdrawal from the Deep Aquifer and provide cost-effective water supply alternatives, is proposing this rule change.

Because of good stewardship and conservation programs, many Lake Michigan water users have been decreasing their per capita water consumption and lowering their peak demands. This may over time translate into additional capacity in existing transmission systems. The cost of transmitting large volumes of water to the far suburban areas to meet those Community's complete water demands is increasingly costly. However, the ability to utilize existing facilities to provide water could create opportunities for a community to cost effectively receive a portion of its required daily supply from Lake Michigan while augmenting this supply with their existing supply. We believe any allocation that will reduce withdrawal from the Deep Aquifer would meet the spirit of the existing rules and will give communities another option to consider as we move toward the goal of a sustainable water supply for this region.

Metro West is actively engaged in water supply planning, Metro West is a founding member of the Northwest Water Planning Alliance (NWPA) and we are committed to achieving a sustainable and

economically feasible water supply for the Chicagoland region. We believe this rule change can be an effective tool in this effort. Thank you for considering our request.

Please feel free to contact our Metro West Engineering Consultant Mr. Peter Wallers, P.E., CFM at (630) 466-6721 if you have any questions or require any additional information.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mary Randle".

Mary Randle
Executive Director

Attachment: Proposed rule change language

C: President Dave Anderson, Village of Elburn
Mayor Tom Weisner, City of Aurora
Peter Wallers, Engineering Consultant, EEI, Inc.

PROPOSED RULE CHANGE RE LAKE MICHIGAN WATER ALLOCATION

- d) Within 90 days of receipt of an allocation permit, each permittee which uses any water from deep aquifer pumpage shall submit a phased program designed to end this practice, other than for emergency or standby use, within five years of the receipt of Lake Michigan water. **Except that an applicant who can demonstrate that a Lake Michigan allocation to meet a portion of their total water supply needs will provide a reduction in the use of the deep aquifer supply will be allowed to continue the use of their deep aquifer supply in combination with the Lake Michigan supply.**



April 5, 2013

Dan Injerd, Chief
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite 5-703
Chicago, IL 60601

RE: Proposed Changes to the Rules and Regulations for the Allocation of Water from Lake Michigan

Dear Mr. Injerd:

The Metropolitan Planning Council (MPC) appreciates the opportunity to comment on the Illinois Department of Natural Resources' (IDNR) proposed changes to the rules and regulations for allocation of Lake Michigan water.

MPC support IDNR's efforts to modernize Illinois' Lake Michigan allocation system and commends IDNR for taking the initiative to sustainably manage Illinois' portion of our Great Lakes resource while adhering to all existing mandates and regulations. The following are MPC's comments on the suggested rule changes, as well as additional recommendations. In addition, as you know, MPC is also finalizing a white paper that may serve to articulate to stakeholders throughout the region why IDNR's proposals are warranted and beneficial. We greatly appreciate all the time you have taken reviewing that paper and sharing your feedback with us.

Part 3730.101 – Scope and Purpose

MPC supports the clarification of IDNR's purpose for the Lake Michigan program.

Part 3730.102 – Definitions

MPC supports IDNR moving ahead in the near-term to eliminate the exemption for "maximum avoidable leakage," while laying the groundwork to address the remaining challenges. Over the next three years, IDNR and its permittees should begin to explore the possible benefits of a more comprehensive utility performance assessment process, such as the American Water Works Association's M36 water audit method. In the short-term, this could include using the LMO-2 to gather a broader array of information on utility performance (see Reporting Requirements below). In order to have sufficient time to process and interpret these new data, and to better assure accurate reporting, IDNR should also establish a compliance amnesty for the first three years following MUL's elimination. Assuming these rules are adopted in 2013, this amnesty period would mean that the 8%

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unaccounted-for-flow compliance clock would not start ticking until 2016. This will encourage permittees to embrace this change, and also give IDNR sufficient time to gauge measures of usage and loss more accurately. It may also allow time for assessing the viability of the AWWA M36 auditing methodology, or some other alternative.

The elimination of maximum unavoidable leakage will improve the quality of information IDNR and permittees have to make decisions about how best to manage our Lake Michigan water.

Furthermore, MPC strongly recommends a change in terminology from “unaccounted-for-flow” to the term “non-revenue water.” This terminology is the more commonly used phrase in the industry and more accurately reflects the loss of value of the treated water.

Part 3730.206 – Notice of Hearing

MPC supports the updating of hearing notification by correcting the Chicago Metropolitan Agency for Planning’s name and adding Kendall County. Keeping Kendall County updated fits within the goal of reducing regional dependence on the deep aquifer system.

Part 3730.301 – Allocation Permits

Subpart b)

MPC supports the clarification on holding reserves for leakage and lockage.

Subparts c and d)

MPC acknowledges that the change from “shall” to “may” serves as a good faith effort on the part of IDNR to show permittees that it will provide flexibility and work on an individual basis with communities to work through the transition of eliminating MUL. MPC believes IDNR should ensure that the discretion implied by the change to “may” be applied fairly and consistently with permittees and that permittees be held accountable for violations of permit conditions after inaction for a set period of time. A more formal declaration of an initial amnesty period—we recommend at least three years—as well as regular and direct communications and training opportunities between IDNR and permittees would go a long way to gaining the support and cooperation of permittee utilities.

Part 3730.302 – Application

MPC supports the codification of requiring applicants to provide existing and proposed water conservation programs. We would go further to suggest that applicant communities be required to implement and document their water conservation programs for at least three years before applying for a Lake Michigan allocation.

Part 3730.303 – Classification of Water Users

MPC supports the prioritization of applicants whose use of Lake Michigan water would reduce regional use of the deep aquifer over the discretionary diversion for navigation. MPC also supports the elimination of the category for discretionary diversion for the purposes of meeting water quality standards. We agree with IDNR that the intent is covered under the category of diversion to keep the canal in a “reasonable satisfactory sanitary condition.”

Section 3730.304 – Water Needs Criteria

Subpart a)

MPC supports the proposed changes, but suggests IDNR go a step further. Currently, allocation applicants do not need to comply with the Lake Michigan service area water conservation requirements until they are granted a permit. Not implementing water conservation prior to applying for a permit results in application requests for unrealistic and excessive water quantities. Additionally, communities may find that through demand management, conservation and efficiency, their existing water supplies will be sufficient, and any allocation of Lake Michigan water may be unnecessary.

As an application pre-condition, we recommend that Illinois require applicants for new allocations to demonstrate implementation of a multi-year (at least three-year) demand management and conservation program, consistent with, or more progressive than, what is required by IDNR of existing permittees, to extend the life of the applicant’s current water source.

Section 3730.307 – Conservation Practices and Other Permit

Conditions

Subpart b)

MPC supports changes to the requirements for a compliance plan in cases of non-compliance. Requiring submittal of a compliance plan after two consecutive years of non-compliance, rather than immediately fining for non-compliance, shows that IDNR understands the significant capital investment requirements permittees need to come into compliance, particularly with the elimination of the maximum unavoidable leakage exemption. We recommend that IDNR provide guidance to permittees as to what compliance plans should contain and approximate time for compliance or benchmarks for incremental reductions of unaccounted-for-flow. IDNR should make it clear to permittees that it is not their desire to punish non-compliant permittees, but to give them flexibility to come out of compliance as soon as feasibly possible through incremental improvements.

Subpart c)

Overall, MPC supports proposed changes to subpart c) and recommends that IDNR provide appropriate models for the listed conservation practices, put

these models online and provide periodic training or presentations on these models.

Subpart c)2)

While MPC supports in concept IDNR's proposed change requiring sub-metering for new multifamily buildings, we believe that there are more pressing and cost-effective metering issues to address first. IDNR's existing permit conditions require installation of meters on new and rehabilitated buildings, which does little to prompt permittees with an existing metering gap to address it. This should be the immediate priority. IDNR should require that within two years permittees without universal metering develop a plan for covering that gap within 10 years. Furthermore, IDNR should work with CMAP to compare information to determine how wide the region's metering gap truly is, and provide targeted assistance to permittees struggling to either plan for or implement universal metering. The City of Chicago's metering gap is well known, but LMO-2 data and a survey of communities throughout northeastern Illinois conducted by CMAP in 2008 do not tell the same story about the region's metering gap – many more Lake Michigan communities reported a metering gap in CMAP's than on the LMO-2. This needs to be resolved, and IDNR's metering focus for the immediate future should be to ensure that every existing and new building in the Lake Michigan service area has a functioning, accurate meter.

While the proposed requirement for sub-metering is a good policy and can promote more efficient usage by individual users, it should not be a requirement at this time. In general, residents of multifamily buildings have consistent and relatively low water usage trends with little in the way of outdoor water uses that lead to summertime spikes. Metering these users individually reminds them of their role in shared water resources challenges, but may not improve water resources management in proportion to the cost of implementation. IDNR should recommend sub-metering, without requiring it (similarly, IDNR should recommend, but not require, the use of advanced, remote read meters). IDNR should focus its efforts where they have the most cost-effective impact, and in the area of metering, that means resolving the existing metering gap.

Subpart c)4)

MPC fully supports the update to require water efficient plumbing fixtures for new and replacement fixtures in line with the WaterSense label standards. Further, IDNR should recommend permittees adopt modern plumbing codes, such as the forthcoming Illinois Plumbing Code "green supplement," and recommend permittees review and revise those codes every three years. IDNR should coordinate with the Ill. Environmental Protection Agency and Ill. Dept. of Public Health to develop a statewide non-

potable water reuse policy that protects public health and water quality while putting available water resources to more productive use.

Subpart c)5)

MPC recommends that IDNR modify permitting requirements to be consistent with the section on Cooling Systems in the *CMAP Model Water Use Conservation Ordinance*.

Subpart c)7)

MPC recommends that IDNR modify permitting requirements to be consistent with the section on Water Recycling Systems in Commercial Facilities in the *CMAP Model Water Use Conservation Ordinance*.

Subpart c)8)

MPC supports the update to the required land sprinkling ordinance to add time-of-day and day-of-week restrictions, and to require new/replacement sprinklers to have a WaterSense-labeled irrigation controller. Further, IDNR should look to the Northwest Water Planning Alliance and/or CMAP's *Model Water Use Conservation Ordinance* as regional models for progressive action on discretionary outdoor water use. These changes will help reduce permittees' peak demand for water, which in turn will alleviate the consequences of droughts, reduce the need for communities to make capital expansions to their water systems and possibly even allow communities to reduce their requested allocations of Lake Michigan water, freeing up water for other users – and regional growth.

Subpart f)

MPC supports IDNR's recommendation that water rates reflect the full cost of water service, including long-term costs to properly maintain and operate water systems. Water utilities – both public and investor-owned – should adopt full-cost pricing in order to generate sufficient revenues for high-quality water management now and in the future. In the near-term, IDNR should initially recommend use of full-cost pricing and provide guidance to permittees on a standardized accounting methodology and subsequent rate setting. IDNR should require that permittees begin incremental steps toward full adoption of full-cost pricing within the next 10 years. IDNR should establish a standardized accounting process to understand those revenue needs. As mentioned above, in order to ensure accurate accounting, IDNR and permittees should move toward comprehensive, advanced metering, and IDNR should require meter installation on all new and existing structures. By making these changes, water resource managers will generate sufficient revenue from system users to operate, maintain and invest in high-quality water systems.

Additional changes

3730.109 Public information

MPC recommends that IDNR conduct quarterly workshops for public works officials in permittee communities, requiring attendance by one municipal staff member and one elected official from each permittee community. These workshops will allow for IDNR staff, outside experts and current/prospective permittees to exchange ideas and build a common base of knowledge consistent with the recommendations from *Water 2050* report. IDNR should display all publicly available data, including all data from LMO-2 submissions, online in a timely manner.

3730.309 Reporting Requirements

MPC recommends that LMO-2 form logistics should be modified to adjust the accounting year to match the calendar year and update the LMO-2 form so that it can be completed electronically.

Additionally, while the elimination of maximum unavoidable leakage is a necessary first step, MPC believes IDNR should take this opportunity to begin to build a more comprehensive understanding of water resources management and utility performance in the Lake Michigan service area. MPC recommends that the LMO-2 form contents should be expanded to include at least the items below. It is our belief that IDNR's current authority allows it to request such information as it may wish to put on its LMO-2 form, and that accordingly, permittees would have to submit that information:

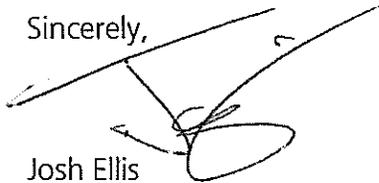
- Water rates – residential per 1,000 gallons, commercial per 1,000 gallons, industrial per 1,000 gallons, irrigation rate per 1,000 gallons, billing frequency, description of rate structure, ratio of annual and monthly revenue to system costs.
- Summary description of budgeting, costs and rate-setting, as well as planned capital investments.
- Results of M36 auditing process, including but not limited to data validity scores, Infrastructure Leakage Index, and measurement of non-revenue water.
- Record of enforcement actions related to water conservation ordinances.
- Record of public education efforts, including quantitative totals of outreach.
- Miles of pipe replaced, miles of pipe repaired, number of yearly replace/repair projects.
- Main breaks.
- Descriptive narratives to explain significant changes from year to year, including, but not limited, to large fluctuations in total water use and unaccounted-for-flows (UFF), rate changes, changes in number of main breaks, changes in M36 audit index or validity scores, etc.
- Reconcile items listed as "required" in the rules, but not currently

found on the LMO-2 form:

- o Individual well production rates, including well numbers, average pumping wells, average number of hours pumped per day;
- o For each well, provide a list of all parameters which exceed the standards in 35 Ill. Adm. Code 601-607;
- o A list of which wells, if any, interfere with each other during simultaneous pumping;
- o Description of problems anticipated from any well supply;
- o Copy of the current water rates for all consumers, including rate structure, as well as a summary page from the annual budget to show balances in water-related funds and anticipated costs and revenues.

MPC supports IDNR's proposed changes to the permit conditions for Lake Michigan permittees and is excited to see the progress IDNR is making, but suggests a thorough look at the issues addressed above. We urge IDNR to advance these rule changes, and are committed to assisting in the rulemaking process. Further, MPC will continue to work to support IDNR in communicating the benefits of these changes for the future of water resources and growth in the Chicago region.

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Ellis", written over a horizontal line.

Josh Ellis
Program Director

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April 3, 2013

Mr. Daniel Injerd, Chief
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Re: MWRD Comments on Proposed Changes to Water Allocation Rules

Dear Mr. Injerd:

The Metropolitan Water Reclamation District of Greater Chicago ("MWRD") is in receipt of your February 19, 2013 memorandum, regarding IDNR's proposed changes to the rules for Allocation of Water from Lake Michigan (17 Ill. Adm. Code 3730) ("Rules"). We appreciate your request for the MWRD's input on these proposed changes and offer the following comments in response:

I. Water Quality Standards

The most significant change proposed by IDNR is to eliminate all mention of water quality standards from Section 3730.303 of the Rules. Ill. Adm. Code title 17, pt. 3730.303(a) (West 2013). Not only is this proposed change out of sync with current policy in the State of Illinois, but it also contradicts decades of precedent. Moreover, the proposed change would contravene the United States Supreme Court decree governing diversion of water from Lake Michigan.

A. Current Emphasis on Water Quality Standards in Illinois Regulations and Policy

Since its inception over 30 years ago, Section 3730.303 has highlighted the importance of meeting State water quality standards in the Chicago area waterway. *Id.* That section sets forth three categories of water users and outlines the factors that IDNR will consider in determining water allocations for the users within those categories. *Id.* Subcategory IIA applies to "[a]pplicants whose water demands are for the minimum discretionary dilution flows necessary to meet water quality standards in the Sanitary and Ship Canal." *Id.* In addition, Section

3730.303 also mandates that IDNR factor in “[t]he need to meet water quality standards” when it prioritizes allocations amongst the different categories of users. *Id.* at 3730.303(c).

Meeting water quality standards in the Chicago area waterway has never been more important to the State than it is today. Indeed, over the last decade, the Illinois Environmental Protection Agency and others have invested significant time and resources in support of a rulemaking whose goal is to redefine the use designation of the waterway and to promulgate substantially more protective water quality standards. *See* IPCB Case No. R08-09. The IDNR has publicly pledged its support for these proposed new standards. IPCB Case No. R08-09 – Comments of the IDNR on the Proposed UAA for the CAWS (Jan. 8, 2009).

B. Proposed Elimination of Water Quality Standards from Section 3730.303

Notwithstanding the State’s tireless efforts in pursuit of more protective water quality standards—and despite IDNR’s public support for the same—IDNR now expresses an intent to no longer consider water quality standards when determining the allocation of Lake Michigan water. In fact, IDNR’s proposed new rules would completely eliminate any mention of water quality standards from Section 3730.303. The only remaining safeguard for water quality in that section would be embodied in the less protective consideration of “the minimum discretionary dilution flows necessary to maintain the Sanitary and Ship Canal in a *reasonable satisfactory* sanitary condition.” Yet, the phrase “reasonable satisfactory sanitary condition” is undefined in the proposed rules and IDNR offers no details on the conditions necessary to satisfy this less protective standard.

Rather, to find an explanation, one must look to the 46-year-old report in which the standard was initially recommended to the United States Supreme Court by Special Master Albert B. Maris. In that report, Maris concluded that the 3,200 cfs of diversion allocated to Illinois was “adequate to maintain the waters of the canal in a reasonably tolerable sanitary state...” Rpt. of A. Maris, Special Master, p. 422, *Wisconsin v. Illinois* (U.S. Dec. 8, 1966) (No. 1, Orig.). In further explanation of what he viewed as a reasonable sanitary state, Maris noted that “[t]he waters of the canal are, of course, much too polluted for recreational use, such as swimming and fishing, but such use can hardly be expected of a stream which must serve as the conduit for the disposal of the entire sewage effluent, even though treated, of so vast a population as that of the Northeastern Illinois Metropolitan Region.” *Id.* at 423.

In its 1980 order regarding the allocation of Lake Michigan water, IDNR’s predecessor (“IDOT”) discussed the above-referenced quote from Special Master Maris in its analysis of the “reasonable satisfactory sanitary condition” standard. IDOT Case No. LMO 80-4 – Opinion and Order, ¶ 12.210 (Dec. 15, 1980). From its reading, IDOT concluded that “the existing conditions in the Sanitary and Ship Canal when the [Maris] Report was submitted (December 8, 1966) satisfied the standard Special Master Maris adopted.” *Id.* at ¶ 12.220. Thus, according to IDOT, the 1966 conditions of the waterway—when it was “much too polluted for recreational use”—would satisfy the “reasonable satisfactory sanitary condition” standard.

Clearly, this standard does not comport with the State's current use designations and proposed water quality standards. It is also at odds with the State's history of allocating discretionary diversion based on water quality standards.

C. Illinois' History of Allocating Discretionary Diversion
Based on Water Quality Standards

In its 1977 Order that gave rise to the first Lake Michigan water allocation permits, IDOT stated that "[i]n order for the Department to evaluate the amount of water required for discretionary dilution flow, it was necessary to identify...the applicable water quality standards." IDOT Case No. LMO 77-1 – Opinion and Order, p. 25 (Apr. 15, 1977). Specifically, IDOT analyzed modeling and pollutant load estimates for the waterway to determine the amount of discretionary diversion necessary to ensure compliance with the Illinois Pollution Control Board's 1977 water quality standards. *Id.* at 26-32. Ultimately, "[u]sing these estimates, the Department [found] that average discretionary diversion flows needed to meet 1977 IPCB instream water quality standards after the instream aeration system is completed is 320 cfs." *Id.* at 31.

A few years later, the United States Supreme Court adopted the same standards-based number (320 cfs) and designated it as the limit for discretionary diversion set forth in its amended decree governing Illinois' use of Lake Michigan water. *Wisconsin v. Illinois*, 449 U.S. 48, 50 (1980). The State of Illinois also adopted the 320 cfs discretionary diversion limit and incorporated it into the Level of Lake Michigan Act. 615 ILCS § 50/3 (West 2013). Notably, the Illinois General Assembly expressly recognized that this limit could be adjusted if there was a "change in *standards* that affect water quality." *Id.* (emphasis added).

IDOT also emphasized water quality standards when it incorporated that 320 cfs value into MWRD's 40-year discretionary diversion permit. Specifically, IDOT noted that "[t]he Department has allocated discretionary dilution water...to satisfy the need to maintain the Sanitary and Ship Canal in a reasonably satisfactory sanitary condition and *to meet water quality standards* in the Sanitary and Ship Canal." IDOT Case No. LMO 80-4 – Opinion and Order, ¶ 14.351 (Dec. 15, 1980) (emphasis added).

Similarly, when the 320 cfs limit was reduced to 270 cfs in the year 2000, IDNR testified that "[t]his reduced value will be subject to review and revision if it results in significant exceedances of water quality standards." IDNR Permit Mod. Hrg. Tr. 8:12-8:15 (Jul. 26, 2000). Indeed, the resulting order defined discretionary diversion to include water diverted "to meet water quality standards," and underscored that, if "problems with significant exceedances of water quality standards occur, a proceeding for modification may need to occur." IDNR Case No. LMO 00-01 – Dec. on Mod. of Permit for MWRD, p. 1 (Sep. 20, 2000).

D. Violation of U.S. Supreme Court Decree

The regulatory history set forth above demonstrates that IDNR and its predecessor consistently based discretionary diversion allocations on the minimum flows necessary to meet water quality standards in the Chicago area waterway. In fact, failing to do so would violate the U.S. Supreme Court's decree governing Illinois' diversion of Lake Michigan water.

Specifically, that decree mandates that the State's apportionment of allocated lake water is "subject to any regulations imposed by Congress in the interests of navigation or pollution control." *Wisconsin v. Illinois*, 388 U.S. 426, 428 (1967). The Federal Clean Water Act is a regulation imposed by Congress in the interest of pollution control, and it grants the State authority to promulgate water quality standards for "waters of the United States" within the boundaries of Illinois, including the Chicago area waterway. Accordingly, the State must consider water quality standards when allocating Lake Michigan water.

IDNR's predecessor acknowledged this mandate in its seminal 1980 order on allocation. Specifically, IDOT emphasized that "Paragraph 1 of the U.S. Supreme Court decree states that any apportionment by Illinois is subject to any regulations imposed by Congress in the interests of navigation or pollution control," and that, "[c]onsequently, the Department must recognize the priority for domestic use but cannot ignore the other statutory and judicially imposed requirements." IDOT Case No. LMO 80-4 – Opinion and Order, ¶ 14.300 (Dec. 15, 1980).

The memorandum of understanding ("MOU") agreed to in 1996 by the parties to the Supreme Court decree also recognized the need to consider regulations imposed by Congress. Indeed, that MOU expressly conditioned its discretionary diversion limits on compliance with State water quality standards and, specifically, provided for reductions of those limits only "as long as the reduction in discretionary flows does not result in significant exceedances of water quality standards." Memo of Understanding, ¶ 5 (Jul. 29, 1996). Thus, even though most of the signatories to that MOU generally opposed Illinois' diversion, they nevertheless acknowledged the need to allow enough discretionary diversion to meet water quality standards in the Chicago area waterway.

For the reasons set forth above, MWRD objects to the proposed deletion of water quality standards from the categories and considerations of Section 3730.303 of the Rules, and MWRD respectfully requests that IDNR make no changes to that section.

II. Priority of Water Users

The MWRD also objects to IDNR's proposal to alter the priority designations encoded in Section 3730.300. As discussed above, Section 3730.303 of the Rules sets forth categories of water users and outlines the factors that IDNR will consider in determining water allocations for the users within those categories. Ill. Adm. Code title 17, pt. 3730.303(a). That Section also designates the importance of each category by listing them in order of descending priority. *Id.*

Mr. Daniel Injerd, Chief
April 3, 2013
Page 5 of 6

Additionally, Subsection (d) of 3730.303 establishes that the IDNR will normally make allocations to meet the full water needs in a higher-priority category before any Lake Michigan water is allocated to users in a lower category. *Id.* at 3730.303(d).

The category currently designated as the highest priority (“Category I”) is comprised of two groups of users, one of which includes “[a]pplicants whose primary water demands are for the minimum flows necessary to meet navigation requirements and minimum discretionary dilution flows necessary to maintain the Sanitary and Ship Canal in a reasonably satisfactory sanitary condition” (hereinafter, the “water quality and navigation subcategory”). IDNR now proposes to remove the water quality and navigation subcategory from Category I, and reclassify it as the lowest-priority recipient of Lake Michigan water.

Yet, in its 1980 order on allocation, IDNR’s predecessor determined that this grouping needed to fall within the highest-priority category in order to accurately reflect: (1) the priorities of the Illinois General Assembly, as set forth in the Level of Lake Michigan Act; and (2) the priorities of the U.S. Supreme Court, as set forth in the Court’s decree on Lake Michigan diversion. IDOT Case No. LMO 80-4 at ¶ 12.130. The priorities for water quality and navigation expressed in both the Level of Lake Michigan Act and the U.S. Supreme Court decree have not changed. *See* 615 ILCS § 50/3 and *Wisconsin v. Illinois*, 449 U.S. 48, 50 (1980). Indeed, and as explained above (*see supra* p. 2), water quality in the Chicago area waterway has never been more of a priority for the State of Illinois.

Nevertheless, the IDNR now seeks to diminish this subcategory without any explanation or legal justification. Moreover, IDNR aims to replace it with a subcategory of domestic users who already have a more economically available source of water at their disposal. Accordingly, and for all the reasons set forth above, the MWRD objects to the proposed reordering of priorities in Section 3730.303 of the Rules, and MWRD respectfully requests that IDNR maintain that section in its current form.

III. Sanitary and Ship Canal

While the term “Sanitary and Ship Canal” is used throughout the Rules, the MWRD requests that this term be deleted and replaced with the term “Chicago Area Waterway System,” or “CAWS,” for the reasons set forth herein. First, the term “Sanitary and Ship Canal,” is not a term that is actually currently defined in the Rules nor do IDNR’s proposed amendments seek to define the term.

As the MWRD understands it, the “Sanitary and Ship Canal,” is but one limited geographical stretch of an entire waterway system that has come to be referred to as the “Chicago Area Waterway System,” or “CAWS.” In fact, the Chicago Sanitary and Ship Canal (CSSC) has been defined by the IEPA as follows:

Mr. Daniel Injerd, Chief
April 3, 2013
Page 6 of 6

CSSC is a human-made channel that begins its confluence with South Branch Chicago River, flows southwest and then south and ends at its confluence with Des Plaines River.

See IPCB Case No. R08-09 – IEPA’s Statement of Reasons for the Proposed UAA for the CAWS (October 26, 2007).

The MWRD would request that the term “Sanitary and Ship Canal” be deleted from the Rules and replaced with the term “Chicago Area Waterway System,” used interchangeably with the acronym “CAWS,” and have this term be added as a definition in Part 3730.102. The MWRD proposes the following definition:

“Chicago Area Waterway System” or “CAWS” is an engineered system of man-made canals and natural waterways that serves as both a navigation link between Lake Michigan and the Mississippi River system and an outlet for stormwater and effluent. It consists of the North Shore Channel, North Branch of the Chicago River (below the North Branch Dam), Chicago River, South Branch of the Chicago River, South Fork of the South Branch of the Chicago River (Bubbly Creek), Chicago Sanitary and Ship Canal, Cal-Sag Chanel and portions of the Calumet River and Little Calumet River leading up to the O’Brien lock.

Additionally, in Part 3730.101, the MWRD respectfully requests that where the term “canal” is used as a stand-alone word, that “canal” be replaced with the word “waterway,” which is a more consistent term when used in conjunction with the new definition of the “Chicago Area Waterway System.” By adding the definition of the “Chicago Area Waterway System,” the Rules more accurately define the entire waterway system.

Respectfully submitted,



David St. Pierre
Executive Director

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Deputy Director
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April 4, 2013

RE: Proposed Changes to Rules and regulations for the Allocation of Water from
Lake Michigan Elimination of Maximum Unavoidable Leakage Amount

Dear Mr. Injerd,

The Village of Mount Prospect supports the proposed rule changes that support increased conservation measures but oppose the elimination of the Maximum Unavoidable Leakage allowance from the Annual Water Use Audit. We would suggest rather than eliminating the maximum unavoidable leakage allowance that the annual audit use an additional new measure, possibly, the Infrastructure Leakage Index (ILI) that is used in the American Waterworks Association M36 Water Audits and Loss Control Program manual. The ILI allows for a utility specific approach which portrays that particular utility's real background losses rather than the "one size fits all" approach presently used. The comparison of this index on an annual basis will show a utility's efforts in reducing background losses. Actual background unavoidable loss is a reality for all utilities which can be controlled for any utility but never eliminated. If the goal is to motivate users to reduce the background losses, strive for a declining index.

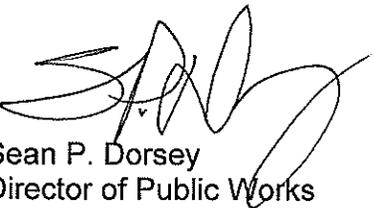
The continued use of an allowance for unavoidable water due from system leaks reflects the reality that "leakage in water distribution systems is inevitable". To ignore these losses through the elimination of the current allowance and not provide some sort of unavoidable leakage amount in a community's annual water use audit serves no purpose other than to subject numerous communities, including our own, to penalties or other actions for failing to adhere to the 8% maximum water loss. If the proposed rule changes were in effect, the Village would have been subject to violation notices or other compliance action in two (2) of the last five years as indicated in the attached table which shows the effect of the proposed rule changes on the Percentage of Unaccounted Flow. The proposed rule changes would have the Village on a compliance plan in addition to our already aggressive water management programs.

Page 2 of 3
Mr. Daniel Injerd
April 4, 2013

Water losses are a fact for even the newest water main. The industry has standards in place to limit future losses during construction through standardized pressure and water-loss tests. Proper pressure management, quick response to water main breaks and a diligent leak monitoring program are steps communities like ours already undertake to comply with the allocation requirements. While the reduction of water use through the promotion of water conservation is a worthwhile goal; the proper and metered use of our current allocation should be the measure that the DNR is monitoring. The use of an allowance for inevitable and unavoidable distribution system leakages is consistent with water audit practices across the country and the world.

In closing, we strongly oppose the elimination of the Maximum Unavoidable Leakage allowance from the Annual Water Audit.

Respectfully,



Sean P. Dorsey
Director of Public Works

Cc: Village Manager Michael E. Janonis
Water/Sewer Superintendent Matt Overeem
Chris Staron, Northwest Municipal Conference,
James Casey, Illinois Department of Natural Resources

Lake Michigan Water
Village of Mount Prospect, Illinois
Allocation, Pumpage, and Unaccounted For Flow Summary Report
Reporting Periods October 1 through September 30

YEAR	<u>07/08</u>	<u>08/09</u>	<u>09/10</u>	<u>10/11</u>	<u>11/12</u>
Allocation (MGD)	4.576	4.465	4.477	4.488	4.5
Net Annual Pumpage (MGD) (line 2.A.14)	3.798	3.651	3.597	3.567	3.654
Percent of Net Annual Pumpage to Allocation	83.0%	81.8%	80.3%	79.5%	81.2%
Total Water Uses Metered (MGD)	3.518	3.297	3.144	3.302	3.532
Percent of Metered Water To Net Annual Pumpage	92.6%	90.3%	87.4%	92.6%	96.7%
Max. Unavoidable Leakage (MGD) (line 3.A.10)	0.265	0.262	0.318	0.317	0.335
Percent of Max. Unavoidable Leakage to Net Annual Pumpage	6.98%	7.18%	8.84%	8.89%	9.17%
Unaccounted for Flow (MGD) (line 2.D35)	(0.005)	0.062	0.105	(0.086)	(0.246)
<i>Revised w/o Unavoidable Leakage Allowance</i>	0.280	0.354	0.453	0.265	0.122
Percent of Unaccounted for Flow to Net Annual Pumpage	-0.132%	1.698%	2.919%	-2.411%	-6.727%
<i>Revised w/o Unavoidable Leakage Allowance</i>	<u>7.37%</u>	<u>9.70%</u>	<u>12.59%</u>	<u>7.43%</u>	<u>3.34%</u>

MGD = million gallons per day

NORTHWEST WATER COMMISSION
1525 North Wolf Road
Des Plaines, Illinois 60016
TEL 847-635-0777
FAX 847-635-9244



COMMISSION MEMBERS
Village of:
Arlington Heights
Buffalo Grove
Palatine
Wheeling

March 29, 2013

Mr. Daniel Injerd
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

Subject: Proposed Changes to the Rules and Regulations for the Allocation of Water from
Lake Michigan

Dear Mr. Injerd:

The Northwest Water Commission respectfully offers the following comments as they pertain to the proposed revision to the subject rules.

From a strict water conservation view, the proposed changes to the accounting of water use make sense; however, the unintended consequences of these policy changes have far reaching and potentially damaging impacts. These impacts include, but are not limited to: requiring massive infrastructure improvements, sometimes in the millions of dollars range for communities that are still struggling with the recent economic recession. Not only will these communities be forced to spend large amounts of cash immediately or go to the bond market, but these expenses will probably be passed along to the residents of these communities in the form of higher water rates and potential tax increases. In reviewing 2011 water loss data as provided by your department, under the old accounting methodology, 17% of all users are not in compliance with the eight percent (8%) loss rule. Under the new accounting standards for water loss, we estimate those communities not to be in compliance with the loss rule to rise to over 50%. A community, not in compliance, could become uncompetitive for economic development because of penalties incurred for non-compliance.

We believe that an appropriate interim course of action would be to establish a benchmark for each individual community and to develop individual community plans to address the unaccounted for water issue.

Finally, we express concern as to the requirements for sub-metering in multi-family buildings and what is essentially the State of Illinois taking control over the sprinkling of lawns. We

Mr. Daniel Injerd
Chief, Lake Michigan Management
March 29, 2013
Page -2-

consider these to be purely local matters. If guidance can be provided as to the basis for these recommendations, it would be appreciated.

The current conservation policies of the State of Illinois are by far the strictest of all the states/provinces receiving Lake Michigan water. The new policies are even stricter and financially more burdensome to all communities receiving Lake Michigan water. The changes are actually unfunded mandates which many communities simply cannot afford to implement at this time.

In light of the above comments, we would request that the period for public input be extended to the end of August 2013 and that a series of public forums be presented by your office to explain the proposed rules, the thought process, and science behind the proposed changes. This will also allow impacted communities to better understand the full financial impact of these changes.

Thank you for your attention to this matter. Should you have any questions, please feel free to contact me at the Commission's offices. (847) 635-0777.

Sincerely,



John J. DuRocher
Executive Director

CC: Board of Commissioners, NWC



NATURAL RESOURCES DEFENSE COUNCIL

March 29, 2013

Marc Miller
Director
Illinois Department of Natural Resources
One Natural Resources Way
Springfield, Illinois 62702

Dear Marc,

Thank you for the opportunity to comment on the Illinois Department of Natural Resources' (IDNR) draft rules for Lake Michigan permittees, "Title 17: Conservation Chapter I: Department of Natural Resources, Subchapter h: Water Resources, Part 3730, Allocation of Water from Lake Michigan." Please accept these comments on behalf of the Natural Resources Defense Council (NRDC), a national, nonprofit, environmental organization with more than 1.3 million members and on-line activists. More than 29,500 of our members and on-line activists live in Illinois.

The update of the rules represent an excellent opportunity to help users of Lake Michigan water become better stewards of this precious resource, saving the state, water utilities, municipalities and users money and meeting the needs of future users in the process. A comprehensive approach to water conservation and efficiency through these rules will also ensure that Illinois fully complies with the Great Lakes-St. Lawrence River Basin Water Resources Compact (Compact).

We have two overarching comments on the draft rules:

1. Lack of Compliance with Compact Requirements

The Compact requires three elements relating to water conservation and efficiency (Section 4.2). Illinois has fulfilled the first two of those requirements:

- 1a. Develop state water conservation and efficiency goals and objectives that are consistent with the regional goals and objectives;
- 1b. Develop and implement a voluntary or mandatory water conservation and efficiency program for all users, including existing users, that is based on the state goals and objectives and must adjust to new demands and the potential impacts of cumulative effects and climate; and

However, Illinois has not fulfilled the third Compact requirement, which is:

Commit to promote environmentally sound and economically feasible water conservation measures, such as:

- Measures that promote efficient use of water;
- Identification and sharing of best management practices and state of the art conservation and efficiency technologies;
- Application of sound planning principles;
- Demand-side and supply-side measures or incentives; and
- Development, transfer and application of science and research.

The State of Wisconsin undertook the Basin's most comprehensive process to develop environmentally sound and economically feasible conservation measures; they are the result of consensus among a wide number of interests and are tailored to specific sectors and identify mandatory measures for each. Such a process is responsive to Regional Objective One, "Develop and implement programs openly and collaboratively, including with local stakeholders, governments and the public."

Such a process would benefit the Lake Michigan permittees by clearly identifying and prioritizing cost-effective measures.

2. Lack of a Clear Standard for Good Water System Management

In IDNR's "Water Conservation and Efficiency Program Review: Illinois' Third Report to the Compact Council and Regional Body," IDNR notes that one of its water conservation and efficiency program objectives is to: "Establish standards for good water system management and leakage control by the owner/operator of a water supply system."

Yet, in Section 3730.307(c) the Department does not establish standards. It says that it "shall require evidence of adoptions by the permittee of the following conservation practices as applicable to the particular user:

- (1) Leakage monitoring and correction for storage, transmission and distribution systems;"

Without clear standards, the Department cannot assess if a permittee has adopted leakage monitoring and correction measures, nor can Lake Michigan permittees know if they are in compliance. And, while water system leaks or breaks can be expensive to repair, the cost of service interruptions, health and safety concerns and lost revenue should be considered as well.

Therefore, we urge the Department to *require* the submittal of an annual water balance report using the methods in the American Water Works Association (AWWA) Manual M-36, *Water Audits and Loss Control Programs*, and the accompanying free software provided by AWWA. The Department could give permittees a period of time to become familiar with these methods and begin reporting their data. When this "phasing in" period is complete, the Department could use the data collected – standardized across all permittees – to better inform its requirements regarding leakage control. For example, the Department could begin by setting goals to eliminate water losses that are deemed economically recoverable and that are cost effective to identify and eliminate.

Our specific comments follow:

Section 3730.102 Definitions

We recommend changing the term "Unaccounted-for flow" to "Nonrevenue flow." This definitional change would underscore the fact that reducing the unaccounted flow of water from a system translates into increased revenues. It also reflects the substantial investment that utilities make in their water treatment and delivery.

We strongly support the deletion of the term "Unavoidable leakage."

Section 3730.301 Allocation Permits

In subsection (c), we question why the Department changed "*shall* issue a notice of violation" to "*may* issue a notice of violation" (emphasis added). Is there a reason the Department needs this flexibility when a permittee, over a five-year running period, violates the permit allocations?

In subsection (d), again, we question why the Department changed "*shall* issue a notice" to "*may* issue a notice" (emphasis added) as the violation would seem clear.

Section 3730.302 Application

We strongly support the Department's addition of subsection (g): A description of the applicant's existing and proposed program or measures to promote the efficient use and conservation of its water supply.

Section 3730.304 Water Needs Criteria

As noted in our overarching comments, we urge the Department to identify environmentally sound and economically feasible conservation measures in this section.

Section 3730.307 Conservation Practices and Other Permit Conditions

Subsection (b):

We support the submittal of a compliance plan for permittees with unaccounted-for-flows exceeding 8 percent. Our concern is the lack of detail over what the compliance plan must include, beyond a timeframe. We urge the Department to clearly identify the necessary components of a compliance plan, including an analysis of costs and benefits, so that it can apply the same criteria to all permittees. We suggest the Department include the following language (highlighted in yellow):

- b) Unaccounted-for-flow for permittees in Category IA and IB shall not exceed 8%, based on net annual pumpage. Any permittee whose unaccounted-for-flow exceeds 8% in any two consecutive accounting periods shall submit a compliance plan with timeframe to the Department for approval outlining the actions the permittee plans to undertake to come into compliance. The Department recognizes that actions necessary to come into compliance with this requirement can require significant capital expenditures and a lengthy timeframe, and will take this into account in reviewing and approving unaccounted-for-flow compliance plans. The Department shall develop a template for a compliance plan within one year of the finalization of these rules. ~~As a condition of receiving an allocation of Lake Michigan water, all permittees will agree to submit to the Department proposals designed to reduce or eliminate wasteful water use and to reduce unaccounted-for-flows to 8% or less, based on net annual pumpage, and procedures used to determine efficiency of water metering or accounting in permittee's system.~~

Subsection (c):

We strongly support the Department requirement of evidence that permittees are adopting conservation practices, but urge the Department to identify both quantifiable and qualitative measures to determine whether a permittee has complied. For example:

Subsection (c)(1):

The Department could require the use of the AWWA Manual M-36, as identified in our overarching comments.

Subsection (c)(2):

We strongly support the addition of "sub-metering in all multi-family buildings" in subsection (c)(2). Submetering is the only apartment water-billing method that results in water conservation. One study found that water usage in submetered properties decreased by 15.3 percent on average, or 21.8 gallons per day per unit, compared with properties that include the cost of water in rent. States are increasingly requiring submetering in new buildings.

Subsection (c)(4):

We support the replacement of inefficient plumbing fixtures, but suggest the following addition,

highlighted in yellow, and deletion, indicated with green highlighted strikethrough text.:

(4) The adoption of ordinances which require that new and replacement plumbing fixtures align with the voluntary supplement of the Illinois Plumbing Code.

~~installation of the following water-efficient plumbing fixtures based on a pressure at the fixture of 40 to 50 psi in all new construction and in all repair or replacement of fixtures or trim:~~

REASON FOR SUGGESTED CHANGES TO SUBSECTION (c)(4):

The Illinois Department of Public Health (IDPH) will finalize a revision to the Illinois Plumbing Code in 2013; the voluntary supplement that will be included in the revision already references WaterSense labeled products and will be updated automatically. In December, 2010, the US Department of Energy determined that states were no longer preempted from adopting more stringent efficiency standards for a range of products, among them plumbing fixtures and appliances (*Federal Register*, Vol. 75, No. 245, December 22, 2010, p. 80289; <http://www.regulations.gov/#!documentDetail;D=EERE-2010-BT-WAV-0045-0001>).

Subsection (c)(8):

While we also support the adoption of ordinances to restrict outdoor water use in subsection (c)(8), we urge the Department to require Lake Michigan permittees to adopt the Chicago Metropolitan Agency for Planning's (CMAP's) model water conservation ordinance. This will ensure consistency across municipalities and is a strong ordinance that was developed through a consensus process.

Subsection (c)(9):

We suggest changing the word "reduced" to "efficient."

Subsection (c)(10):

While we strongly support the Department's seeming intent to better align rate structures that promote conservation and reduce loss, we are concerned about the lack of specificity in this section. We recommend that the Department develop a standard water accounting process for Lake Michigan permittees and define the term "excessive water use."

Section 3730.309 Reporting Requirements

Subsection (a)(12):

We have the same concern with this requirement as Subsection (c)(10), above. Requiring current water rates doesn't provide any information on whether rates are sufficient to cover costs. Again, the development of a standard water accounting process for Lake Michigan permittees would provide greater clarity and consistency across permittees.

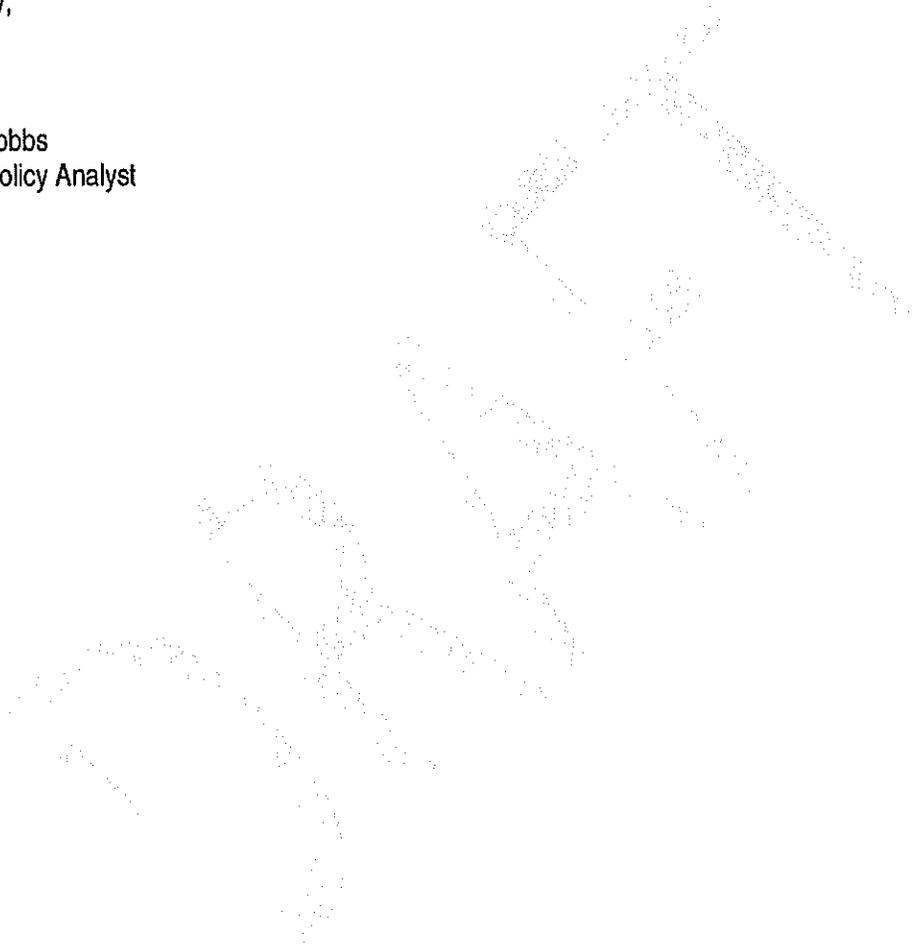
Subsection (a)(13):

We suggest adding "email address" to the list of information provided.

Thank you again for the opportunity to comment on these draft rules. Please don't hesitate to contact me if you have any questions.

Sincerely,

Karen Hobbs
Senior Policy Analyst



VILLAGE OF OLYMPIA FIELDS

20040 Governors Highway

Olympia Fields, IL 60461

Phone (708) 503-8000 • Fax (708) 503-8002

March 13, 2013

VILLAGE PRESIDENT

Debbie Meyers-Martin

Daniel Injerd, Chief, Lake Michigan Management

Illinois Department of Natural Resources

Office of Water Resources

Michael A. Bilandic Building

160 N. LaSalle St., Suite S-703

Chicago, IL 60601

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BUILDING

Willis Pennington

FINANCE

Carolyn Gibson

PUBLIC SAFETY

VILLAGE ADMINISTRATOR

David A. Mekariski, AICP

Dear Mr. Injerd:

As a Lake Michigan Water Permittee, we are writing to express our concerns regarding the proposed Lake Michigan Water Allocation rule changes. As you may suspect, our primary concern is with the elimination of the maximum unavoidable leakage allowance in the calculation of unaccounted-for-flow.

As a community we recognize the preciousness of Lake Michigan as a resource and continue to strive to conserve water as much as possible; however, due to the age of our system, if the unavoidable leakage allowance is eliminated from the calculation our water loss will go from 0.09% to 12.53% based on the 2012 LMO-2 form. Although we appreciate the Department's efforts in recognizing that this will be a significant financial burden on communities, simply stating in the rules that "*The Department recognizes that actions necessary to come into compliance with this requirement can require significant capital expenditures and a lengthy timeframe, and will take this into account in reviewing and approving unaccounted -for-flow compliance plans.*" is not sufficient. You can imagine our reluctance, as elected officials, to agree with a rule in which we are at the mercy of the reviewing agency and the whim of its members to decide on an appropriate investment and timeframe for compliance without direct knowledge of our financial conditions or municipal needs.

DIRECTOR OF FINANCE

AND ADMINISTRATION

Cynthia Saenz

In section 3830.307 (f), *the Department recommends water rates reflect the full cost of water, including the long term cost to properly maintain and operate the water supply distributions system in such a manner as to keep system losses to a minimum.* In a perfect world, we would price water based on these recommendations; however, with the increases recently proposed by wholesale Lake Michigan Water suppliers such as Chicago and Hammond, water rates in our community have already increased significantly and the burden on our citizens who are already suffering in today's economy should not be minimized.

CHIEF OF POLICE

John A. Krull

DIRECTOR OF PUBLIC WORKS

Joseph Alexa

Reducing the unaccounted-for-flow allowance from the annual pumpage calculation will present a significant burden on the ratepayers with no guarantee that a reasonable compliance plan timeframe will be afforded to the municipality. We urge you to reconsider this rule change and the affect it will have on the already cash strapped citizens of Illinois.

BUILDING COMMISSIONER

John M. McDonnell

Respectfully yours,


Debbie Meyers-Martin

OFFICE HOURS:

8 a.m. — 3 p.m. Mon.-Tues.-Wed.-Fri.

8 a.m. — 6 p.m. Thursday

Village President
Village of Olympia Fields

Xc: David Mekariski, Village Administrator, Village of Olympia Fields
Joe Alexa, Director of Public Works, Village of Olympia Fields



Suite 1650 | 25 East Washington Street | Chicago, IL 60602-1708 | Tel: 312-863-6250 | Fax: 312-863-6251 | www.openlands.org

April 4, 2013

Daniel Injerd
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-700
Chicago, IL 60601

RE: Openlands' Comments regarding the Illinois Department of Natural Resources' Proposed Rule Changes to Title 17: Conservation Chapter I: Department of Natural Resources, Subchapter h: Water Resources, Part 3730, Allocation of Water from Lake Michigan

Dear Dan:

Openlands appreciates the opportunity to comment on the Illinois Department of Natural Resources' (hereafter "the Department") proposed changes to the Lake Michigan allocation permit conditions (codified in Title 17: Part 3730, Allocation of Water from Lake Michigan). Openlands is a regional conservation organization whose mission is to protect the natural and open spaces of northeastern Illinois and surrounding region to ensure cleaner air and water, protect natural habitats and wildlife, and connect people to nature. We support the proposed rule changes that reflect the Department's commitment to strengthening Illinois' responsible stewardship of the Lake Michigan diversion. Given the record-setting drought conditions during the summer of 2012, which manifested in Lake Michigan's historically low lake level, it is increasingly important to responsibly steward our water resources by implementing stronger water management protocols.

Specifically, we commend the Department for its effort to address and remediate Lake Michigan water loss by updating the water accounting rule provisions

through the elimination of “unavoidable leakage” as well as by incentivizing water efficiency and conservation practices among Lake Michigan permittees. Openlands supports the proposed new measures enumerated below, and for certain provisions, has offered recommendations for strengthening them to further support the goal of water loss reduction and responsible stewardship of the diversion. We see the proposed rule updates as critical to meeting the legal diversion limit set by the United States Supreme Court Decree and also necessary to complying with the Great Lakes-St. Lawrence River Basin Water Resources Compact. By addressing our regional water challenges now, the Department can help ensure a safe and stable Lake Michigan water supply for the Lake’s existing and future water users while supporting healthy economies and ecosystems in our region.

Thank you in advance for your consideration of the following comments:

Part 3730.101 – Scope and Purpose

Openlands supports the inclusion of a purpose section to acknowledge the legally binding U.S. Supreme Court Decree’s provision that governs Illinois’ Lake Michigan diversion amount. This is important context-setting for Lake Michigan applicants and current permittees to substantiate the Department’s rationale for stronger compliance standards that are put forth by the proposed rule changes.

Part 3730.102 – Definitions

We see the proposed change to eliminate “unavoidable leakage” from the Definitions section as a critical step toward responsible water accounting methodology. The “unavoidable leakage” allowance was flawed in that it was based on a calculation of the number of miles and age of pipes in a utilities’ system rather than an actual measurement. By no longer excusing this type of water loss, the Department can hold Lake Michigan water users accountable for accurate data tracking and reporting that will enable them to measure water loss accurately. This is essential to keeping the Department and utilities informed so that they can effectively remediate water loss. Therefore, Openlands endorses the substantive revision of “unaccounted-for-flow,” which excludes the allowance of unavoidable leakage.

**Part 3730.301 – Allocation Permits
Subpart b)**

Openlands supports the language that has been added to clarify that the Department will no longer issue an allocation for Lake Michigan water diverted for lockage or leakage as long as the Department monitors the flow and keeps water in reserve for this purpose as indicated in the rule changes.

Subpart c) & d)

Openlands requests that the Department clarify the decision to change the language in this subpart from, “the Department ‘shall’ issue a notice of violation of an allocation permit when a permittee is out of compliance,” to “the Department ‘may’ issue a notice of violation.”

Recommendation: We oppose this language change unless the Department outlines the consistent considerations it will follow in using its discretion to issue a notice or not so that Lake Michigan water permittees are treated equally in their ability to comply, or not, with the permit conditions.

Part 3730.302 – Application, subsection (g)

Openlands supports the inclusion of subsection (g): a description of the applicant’s existing and proposed program or measures to promote the efficient use and conservation of its water supply. By including it as a requisite for applicants, it will make water conservation a “main stream” practice for water utilities seeking an allocation permit.

Part 3730.303 – Classification of Water Users

Openlands support the changes proposed in this section and its subparts that prioritize applicants whose primary water needs are for domestic use. The proposed elimination of applicants whose water demands are for minimum discretionary diversion flows for meeting water quality standards is acceptable since the Department’s discretionary diversion flow to keep the canal in a “reasonable satisfactory sanitary condition” is adequate.

Section 3730.304 – Water Needs Criteria

Subpart (a)

Openlands supports the additions to subsection (a). First, the inclusion of “ordinances which promote the efficient use of water for lawn sprinkling and other outside uses” is an important consideration with respect to applicants’ water conservation practices.

Recommendation: Openlands requests that the Department indicate that the Chicago Metropolitan Agency for Planning (CMAP’s) model lawn watering ordinance is an exemplary ordinance to adopt to promote water conservation. We also encourage the Department to identify environmentally sound and economically feasible conservation measures in this section per the requirements of the Great Lakes-St. Lawrence River Basin Water Resources Compact in Section 4.2.

Openlands also supports the inclusion of new language in subpart (a) that states: “applicants whose unaccounted-for-flow exceeds 8% should submit a compliance plan with [a] timeframe to the Department outlining the actions the applicant plans to undertake to come into compliance.”

Recommendation: A clause stating that the Department will develop a template for the compliance plan for applicants to use which will address critical considerations to reach compliance as well as an associated timeframe. This template should be included in a guidance document that the Department creates for this purpose.

Section 3730.307 – Conservation Practices and Other Permit Conditions

Subpart (b)

We endorse the inclusion of the new provision that permittees’ unaccounted-for-flow shall not exceed 8% based on net annual pumpage, and those who do exceed this limit in any two consecutive accounting periods “shall submit a compliance plan with timeframe to the Department for approval outlining the actions the permittee plans to undertake to come into compliance.” Further, the Department’s recognition that “actions necessary to come into compliance with this requirement can require significant capital expenditures and a lengthy timeframe, and [that the Department] will take this into account in reviewing and approving unaccounted-for-flow compliance plans” is important so that permittees are not held to unrealistic standards.

Recommendation: The Department should include a clause stating that it will develop a template for the compliance plan that will outline actions that can be taken to achieve compliance and their associated capital costs. This should be explained in a guidance document that is included as an addendum to the rules.

Subpart (c) 1)

Recommendation: We think the rules related to leakage monitoring in this section could be strengthened by adding new language to propose the voluntary use of methods in the American Water Works Association (AWWA) Manual M-36, *Water Audits and Loss Control Programs*. Given that the Department “require[s] evidence of adoptions by the permittee” of conservation practices specified in this subsection, including leakage monitoring, the use of the AWWA accounting methodology and the accompanying free software provided by AWWA would help standardize data collection of leakage among permittees to better inform and enforce the Department’s requirements regarding leakage control. This could be introduced in the rules originally as a voluntary provision to “phase in” this method of water leakage accounting so that permittees could learn how to use the software and not risk being penalized during the learning process. The rules could be later revised to make AWWA reporting a requirement depending on how the Department envisions modifying and using the LMO-2 Form going forward.

Subpart c) 2)

Openlands strongly supports the addition of the requirement for sub-metering in all multi-family buildings that are newly constructed.

Recommendation: We also support the requirement that sub-metering is required in existing multi-family buildings to better track, report, and measure water use and loss.

Subpart c) 4)

We support the inclusion of language that requires “that new and replacement plumbing fixtures be labeled Water Sense product” if these products exist for a type of plumbing fixture, as this will strengthen water efficiency and conservation practices of Lake Michigan water users.

Recommendation: If no Water Sense labeled products exist for a type of plumbing fixture, we recommend that the Illinois Plumbing Code should apply, instead of the “Energy Policy Act of 1992” as the changes reflect because the Illinois baseline plumbing code has stronger water efficiency standards. The Illinois Department of Public Health (IDPH) will finalize a revision to the Illinois Plumbing Code in 2013; the voluntary supplement that will be included in the revision already references WaterSense labeled products and will be updated automatically. Therefore, we endorse the adoption of the forthcoming model green plumbing code supplement for Lake Michigan water users on a voluntary basis. This is how we propose modifying this subsection:

4) The adoption of ordinances which require that new and replacement plumbing fixtures be labeled Water Sense product, as specified by the United States Environmental Protection Agency. If no USEPA Water Sense labeled products exists for a type of plumbing fixture, then the requirements of the Illinois Plumbing Code shall apply.

Subpart c) 8)

We support the inclusion of the specified lawn watering restrictions to promote water conservation.

Recommendation: The Department can reference the Chicago Metropolitan Agency for Planning’s model lawn water ordinance as an exemplary model.

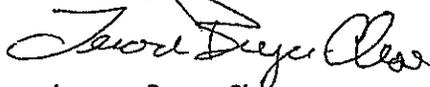
Subpart f)

Openlands support the new language recommending that “water rates reflect the full cost of water, including the long term cost to properly maintain and operate the water

supply distribution system in such a manner as to keep system losses to a minimum.” This is an important recommendation that embraces the reality that in order to get water permittees in compliance with the new permit conditions, many will have to update and modernize their water delivery and treatment systems, requiring capital costs. By introducing full-cost pricing, communities will be better positioned financially to address these utility infrastructure needs.

Thank you for your consideration and we look forward to working with the Department to support the implementation of these rule changes that advance Illinois’ responsible stewardship of the Lake Michigan allocation. Please do not hesitate to contact me if you have any questions.

Best regards,

A handwritten signature in black ink, appearing to read "Lenore Beyer-Clow". The signature is written in a cursive style with a large, stylized initial "L".

Lenore Beyer-Clow
Policy Director

cc: Arlan Juhl

Summary of Proposed Lake Michigan Water Allocation Rule Changes

Village of Orland Park Comments

April 5, 2013

The following is a brief summary of the substantive proposed changes to the Department's Part 3730 - Rules for the Allocation of Water from Lake Michigan.

Part 3730.101 – Scope and Purpose

A purpose section has been added to clearly state that it is the intention of the Department's program for the allocation of water from Lake Michigan to comply with the provisions of the U.S. Supreme Court Decree governing Illinois' allowable diversion. More specifically, Illinois' total diversion is not to exceed a 40 year running average of 3,200 cubic feet per second (2.1 billion gallons per day).

Part 3730.102 – Definitions

The definition of unavoidable leakage and the methodology for determining unavoidable leakage has been eliminated. The definition of unaccounted-for-flow has also been revised so that it no longer includes any mention of unavoidable leakage. With this change, water loss that used to be excused as unavoidable leakage will now be included as part of a water system's unaccounted-for-flow.

Unavoidable leakage should not be removed in its entirety from the calculation of unaccounted-for-flow. Every potable water system has water loss over which there is no control. Such loss may be from contractors that hit a water main or accidents that damage a fire hydrant creating a leak. Such loss can go unreported for significant periods of time before surfacing. Even the most aggressive leak detection program cannot find every leak as they occur. Additionally, older water main is inherently prone to leakage. Even with aggressive water main replacement programs it is unreasonable to expect an overnight correction of problems. Municipal budgets are stretched thin as it is. At a minimum, a phased reduction but not elimination of the unavoidable leakage over many years would be more prudent.

Part 3730.206 – Notice of Hearing

Kendall County has been added to the list of counties to receive notification of upcoming hearings, and the Chicago Metropolitan Agency for Planning replaces the Northeastern Illinois Planning Commission.

Part 3730.301 – Allocation Permits

Subpart b) Language has been added to clarify that the Department will no longer issue an allocation for Lake Michigan water diverted to operate the two lakefront locks (lockage), or for Lake Michigan water that may leak through lakefront structures that separate the Chicago Waterway System from Lake Michigan (leakage). The Department will hold an amount of Lake Michigan water in reserve for these two categories of direct diversion. This change reflects the current practice of the Department to no longer hold the Water Reclamation District of Greater Chicago responsible for lockages or leakage since they do not operate the lakefront locks nor are they responsible for all structures that separate the lake from the river system.

Subpart c and d) Language has been revised to give the Department discretion in deciding whether to issue a notice of violation of an allocation permit. Current language says the Department “shall” issue a notice of violation, and the proposed language states that the Department “may” issue a notice of violation.

Part 3730.302 – Application

A new subpart (g) has been added to include a description of an applicant’s existing and proposed water conservation program. In actual practice the Department has been asking for this information for many years.

Part 3730.303 – Classification of Water Users

This section and subparts have been revised so that the second category of domestic use (applicants whose use of Lake Michigan water will reduce regional use of the deep aquifer) becomes a higher priority than the use of Lake Michigan water for navigation requirements in the Sanitary and Ship Canal and for minimum discretionary diversion flows to keep the canal in a ‘reasonable satisfactory sanitary condition’.

One category is proposed for elimination (applicants whose water demands are for the minimum discretionary diversion flows necessary to meet water quality standards in the Sanitary and Ship Canal). The Department has never granted an allocation for this purpose, and believes that the category covering discretionary diversion flow to keep the canal in a ‘reasonable satisfactory sanitary condition’ is sufficient.

The upper limit for discretionary diversion is lowered from 320 cubic feet per second to 270 cubic feet per second

Finally, language has been added to clarify that Category III applicants do not qualify to receive a Lake Michigan water allocation. This has been the Department’s practice, and will now be stated clearly in the Rules.

Section 3730.304 – Water Needs Criteria

Subpart a) Adds to the list of water conservation practices to include an outside water use control/lawn sprinkling ordinance. New language added to require applicants that exceed 8% unaccounted-for-flow to submit a compliance plan with timeframe outlining the actions that will

be taken to come into compliance. Also directs the Department to consider this information in determining proper allocation amounts.

Section 3730.307 – Conservation Practices and Other Permit Conditions

Subpart b) Keeps the unaccounted-for-flow standard at 8% of net annual pumpage, even though the allowance for unavoidable leakage has been eliminated; requires permittees to submit a compliance plan to return to the 8% standard if any two consecutive accounting periods show an unaccounted-for-flow greater than 8%. Adds a sentence that directs the Department to recognize that compliance with the 8% standard can require significant capital expenditures and a lengthy timeframe, which will be taken into consideration in approving compliance plans.

Subpart c)2) Adds a requirement for sub-metering in all multi-family buildings in new construction.

This is a vague requirement of questionable benefit. Current standards already require all services to be metered. The installation of individual meters in large multi-family buildings is frequently not practical due to required plumbing configurations. Would this requirement include apartment building in which there is a single owner who pays the bill for all tenants? Do the sub-meters need to be municipally owned for billing purposes or can they be private and placed after the master meter (which would be used for billing purposes)?

Subpart c)4) Updates the requirement to install water efficient plumbing fixtures in new and replacement plumbing fixtures such that they will be a labeled Water Sense product.

This is an unreasonable and overbearing requirement on the municipality. It would be impossible for the Village staff to ensure compliance down to the fixture level in all instances. Permits are not required nor should they be expected when replacing a faucet or shower head in a residence. An ordinance encouraging the use of Water Sense fixtures may be a better tactic.

Subpart c)8) Modifies the lawn sprinkling requirement to add a time of day restriction (lawn sprinkling will not be allowed between 10am-4pm nor on consecutive days), and requires new/replacement sprinklers to have a Water Sense labeled irrigation controller.

The establishment of specific times will require the re-education of our customers. While we have the long established irrigation times of 7a.m./p.m. to 11a.m./p.m., they do not fit with the proposed change. To maintain the same amount of irrigating time available we have to adjust to 6a.m./p.m. to 10a.m./p.m.

Subpart f) Adds a recommendation that water rates reflect the full cost of water service, which includes the long term cost to properly maintain and operate the water supply distribution system to keep system losses to a minimum.



Village Manager's Office

VILLAGE OF PALATINE

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April 4, 2013

Mr. Daniel Injerd
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle Str., Suite S-703
Chicago, IL 60601

Subject: Proposed Lake Michigan Water Allocation Rule Changes

Dear Mr. Injerd:

The Village has reviewed the Department's proposed changes to the Rules and Regulations for the Allocation of Water from Lake Michigan. While we are certainly in favor of improving water conservation and improved accountability regarding water loss, the Village of Palatine has the following concerns and suggestions related to recommendations of the Department to the Joint Committee on Administrative Rules.

1. The proposed requirements as drafted would be burdensome for permittees and the units of local government that would be responsible for unaccounted-for-flow compliance plans. From review of the December 2012 Draft of Illinois Administrative Code, Title 17, Part 3730, it appears prior revisions (1981) implemented 5 year phase in periods from 12% to 8% unaccounted-for-flow. Should revisions be made, we would request a phase in period so we could plan and budget for any cost ramifications.
2. The proposed revision would eliminate the allowances for unavoidable leakage due to age of water distribution pipe and type of pipe joint material. It is impractical to maintain a water tight distribution system and unduly burdensome to not factor age of facilities in some way towards anticipated and allowable loss. Revising tiered leakage rates used for varying ages of pipe as used under the current water audits could be updated for accuracy if necessary. Eliminating this entire category of recognized unavoidable leakage will disproportionately burden moderately mature communities such as the Village of Palatine whereas updating acceptable leakage rates may be more acceptable.
3. If assumed system loss and/or unaccountable loss are removed from the annual water use audit it may be more practical to adjust the total unaccounted-for-flow to more than 8% of net annual pumpage. Frequently the cost to purchase water,

or treat and transport water, will incentivize the permittee to control water loss. However, even by the Departments indication in the proposed Section 3730.307.b, actions necessary to come into compliance for any community that may exceed unaccounted-for-flow can require significant capital expenditures and a lengthy timeframe. While we trust this will be taken into account in any required compliance plans, we would prefer any Rule changes to balance an encouragement of conservation with the cost that can be expected to adhere to the regulation. Review of available published water loss information would indicate the Rule changes as drafted would immediately place the majority of permit holders in non-compliance. These changes to the Rule as drafted would exceedingly trigger compliance plans and be burdensome to permit holders and the Department of Natural Resources which would need to review, develop, and administer compliance plans for communities.

4. Proposed Section 3730.307.c.3 would require sub-metering all multi-family buildings. While not entirely clear, we understand this to be all "new" multi-family buildings but would prefer metering practices be unchanged. Sub-metering of multi-family buildings could be exceedingly costly to the point of hindering development and will have a long term cost impact to the permittee as these meters represent future replacement obligations. While metering water would be our joint concern, sub-metering would seem an unnecessary duplication of water accounting.
5. Proposed Section 3730.307.c.8 proposes to restrict lawn sprinkling on established lawns from May 15 – September 15, between the hours of 10am-4pm nor on consecutive days. Tracking consecutive days of use will be impractical.

The Village of Palatine appreciates the opportunity to submit these comments for consideration by the Department of Natural Resources prior to taking any action with the Joint Committee on Administrative Rules. We also look forward to the opportunity to remain involved in the public process as the proposed regulations are further developed.

Sincerely,
VILLAGE OF PALATINE



Reid T. Ottesen
Village Manager

Casey, James

From: David Weakley [dweakley@paloshillsweb.org]
Sent: Tuesday, February 19, 2013 3:40 PM
To: Casey, James
Subject: Proposed Lake Michigan Water Allocation Rules (3730) Change

Dear Mr. Casey,

We have had the pleasure of a previous conversation regarding the above referenced rule change. I have a few questions and comments on the proposed change to section 3730.307.

In the past two reporting years how many communities would have been out of compliance (greater than 8% unaccounted for flow) had the unavoidable leakage equation been eliminated two years ago?

Using the above information what would the unaccounted for flow be for each community that was out of compliance.

The reason I am asking is there may be many communities that will become out of compliance communities with the elimination of unavoidable leakage. A phasing out process should be considered, such as raising the unaccounted for flow from 8% to 10% while eliminating the 40 to 60 year old pipe provision in the unavoidable leakage equation. Then the following year eliminate the 20 to 40 year old pipe and then the last year eliminate the 20 year old pipe.. Once this three year process has been completed on the forth year reduce the unaccounted for flow from 10% to 8%.

I agree with the rule and the idea of conserving water. I also agree it takes a lot of time and money to repair a water system.

Phasing allows the times needed to complete repairs and reduce water loss without going deep in debt and hopefully avoid being out of compliance while standards are being reduced / eliminated and repairs are being completed.

Please contact me should you have any questions.

Dave Weakley
Commissioner Public Works
10335 Roberts Road
Palos Hills, IL 60465
(708) 598-3400 ext 111
www.paloshillsweb.org

IDNR Proposed Lake Michigan Water Allocation Changes Comments

- 1) The basic logic used when determining the removal of all references to allowable loss in the distribution system is flawed. AWWA Standard C600-10 “Installation of Ductile-Iron Mains and Their Appurtenances” page 26 has provisions for allowable loss on **new pipe**. IDNR does not have the right to supersede the national standard that municipalities have adhered to since the inception of the standard. Given that allowable loss was accounted for in new pipe, it only stands to reason that the older the pipe is the allowable loss will increase throughout the decades. This was the basis for the allowable loss table in page three of the LMO-2
- 2) Part 3730.102:
 - a. Some provision needs to be maintained for the age and size of the distribution system. IDNR must realize that municipalities both large and small cannot drastically increase the budget for water main replacement overnight. These are catastrophic financial times and its harder now than ever to shift more governmental mandated financial burden upon the backs of homeowners.
 - b. Perhaps consider decreasing the unavoidable leakage credit to one half the current rates.
- 3) Part 3730.304:
 - a. The IDNR is requiring stricter conservation measures which directly impact the permittee’s revenue stream inversely to the requirement of mandated infrastructure replacement requirements.
- 4) Part 3730.307:
 - a. What are the ramifications if the permittee fails to achieve less that 8% within 2 years? The reference to the IDNR taking into consideration “significant capital expenditures” is too vague. I want to know what possible enforcement action the IDNR will take for systems that continue to report over 8%.
 - b. What is the intention of sub-metering multi-family buildings? Many municipalities master meter multi-family dwellings and invoice the entity (home-owners association, apartment complex, condominium association). Is it the intention of the IDNR to meter all future entities (and potentially existing entities the next regulatory go-round) of this nature and bill separately? Where do the funds for the infrastructure (meters, copperhorns, plumbing, manpower) come from? Where does the manpower to read and bill come from? Has the IDNR been out of touch

with the financial crisis this area and the rest of the country has been going through? Staff reductions throughout the municipalities make it impossible to add any additional labor tasks for the foreseeable future.

- c. The time of day restriction is too strict, I think it reasonable to enforce odd/even and restrict watering to before noon and after 5:00PM. New construction hasn't been accounted for either. Are we going to let the sod and new grass seed die? What about hand held hoses for watering?

Respectfully submitted,

Jeff Musinski

Jeff Musinski
Village of Park City

Casey, James

From: Vogt, Fred [vogt@cityrm.org]
Sent: Friday, April 05, 2013 5:12 PM
To: Injerd, Dan; Casey, James
Cc: Somogyi, John; Krumstok, Barry; Chris Staron
Subject: Comment on Proposed Annual Water Use Audit LMO-2 Revisions

To: Mr. Dan Injerd and Mr. James Casey

The City of Rolling Meadows would like to offer comment on the proposed changes to the Annual Water Use Audit LMO-2 allowance for unavoidable water main leakage which is being proposed for elimination.

Unavoidable leakage, in current procedures, only applies to water main age, and can only be reduced by pipe replacement or pipe lining, both of which will have major impacts on capital expenditures of local water systems over extended periods of time.

We suggest that consideration be given to establish a revision to the current allowance, for maintaining an unavoidable leakage allowance but lowering the "gallons per day" value. The construction standard for water main allowable leakage pressure tests could be a logical formula to use and already is an accepted construction procedure.

We believe the principal of allowing for some adjustment in unavoidable water leakage, using pipe age, to be appropriate to continue.

Thank you for your consideration and allowing us to provide comment on the proposed revisions.

Fred Vogt, Public Works Department
City of Rolling Meadows

This message was sent from the City of Rolling Meadows, Illinois

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Village of Round Lake

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April 4, 2013

Mr. Daniel Injerd
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

Subject: Proposed Lake Michigan Water Allocation Rule Changes

Dear Mr. Injerd:

The Village of Round Lake received the proposed Water Allocation Rule Changes and would like to thank you for the opportunity to provide comments on those changes. The Village continually strives to provide our residents with safe, reliable, and affordable drinking water and operate a well maintained water system that promotes the efficient use and management of our Lake Michigan water resources. Ensuring valuable water resources are properly managed is a necessity, but it should be done without creating undue hardship to residents and businesses who rely on that water supply.

The Village of Round Lake respectfully opposes the proposed rule change eliminating the allowance for unavoidable leakage. We have continually attempted to operate a well maintained water system in accordance with IDNR requirements and industry standards. While striving to reduce "Unaccounted for Water", we do not feel the total elimination of "Unavoidable Leakage" from the allowable water loss calculation is realistic. The water industry has long recognized the fact that some leakage from water distribution piping placed under pressure is unavoidable. Even in the water industry's standards for testing newly installed water main there is an acceptable leakage allowance. The elimination of unavoidable leakage credit would result in requiring corrective action plans that have not been defined and it would be cost prohibitive to implement immediate repairs that may or may not improve the problems. The Village currently has a program to replace aging pipes as part of our capital plan; however increasing the rate of replacement would require significant capital expenditures to address a small fraction of the problem for a perceived reduction in unavoidable water loss.

In addition, the proposed rule changes include a provision requiring all multi-family building to have water meters installed for each unit. The Village recognizes the importance of water conservation, but the benefit of sub-metering new multi-family buildings does not improve the overall water accountability of the water system. The installation of meters in each unit would not improve the capability to determine the amount of water utilized in a building. The proliferation of meters not only adds to the costs of development, but will also increase the long-term administration costs with no defined benefit.

Thank you for your time and consideration of our requests. Please let me know if you have any questions regarding the comments above.

Sincerely,

A handwritten signature in black ink, appearing to read 'James R. Dietz', written in a cursive style.

James R. Dietz
Village President

cc: Round Lake Board of Trustees
CLCJAWA Members
Ron Kroop, Round Lake Director of Public Works
Mark Kilarski, Round Lake Public Works



VILLAGE OF SCHAUMBURG

ENGINEERING & PUBLIC WORKS DEPARTMENT / 714 S. PLUM GROVE ROAD / SCHAUMBURG, IL 60193-4329
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April 5, 2013

Mr. Daniel Injerd
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle Street, Suite S-703
Chicago, IL 60601

RE: Rule Changes for Lake Michigan Water Allocations

Dear Mr. Injerd:

This letter addresses concerns related to the proposed rule change that eliminates the definition of unavoidable leakage and the methodology for determining unavoidable leakage. The proposed rule keeps the unaccounted-for-flow standards at 8% of net annual pumpage, even though the allowance for unavoidable leakage has been eliminated. We understand the IDNR mission (taken from the IDNR website) comprises many components such as: water conservation, system management and leak control, diversions, data collection, forecasts, encourage water infrastructure investment, rate structures, research, inform, educate and informational materials, but it appears too much focus is being placed on percentages only.

Most recently, Schaumburg received an email indicating a Memorandum of Agreement between the Illinois Department of Natural Resources and the Chicago Metropolitan Agency for Planning (CMAP) as part of their Local Technical Assistance Program. In that email, we were requested to fill out a web-based survey that would identify areas of concern that can be focused on as a group to help reduce for unaccountable water. It discussed the American Water Works Association's (AWWA) water auditing and loss control methodology, meter type and age, and prior capital investment. They have already done a similar survey on a regional basis in the Midwest called "Water Loss Control in the Great Lakes States".

This report summarized deficiencies, areas of concern, and drew conclusions from the respondents' answers. The Illinois Department of Natural Resources' (IDNR) own correspondence indicates 131 of 210, or 62% of currently monitored water systems, would be in non-compliance if the rule were presently effective. It seems relevant that before a major rule change that affects 62% of the communities, this fact finding survey be completed and the information analyzed and conclusions drawn before any decisions are made.

Mr. Daniel Injerd
Illinois Department of Natural Resources
Page 2

If the proposed rule was in effect today, Schaumburg would be in non-compliance and would have to submit a plan to return to 8% unaccountable for-flow standards. In fact, four of the last five years, Schaumburg would have been non-compliant. We are presently in year one of a four year leak survey to control our water loss. We meter every aspect of the 60 year old water system and consider our system middle aged.

A number of your own goals speak of: data collection, forecasts, rate structures, research, inform and educate. IDNR should follow its own goals and collaborate with the local communities as opposed to levying an across the board mandate as the final solution. The following are first step ideas to inexpensively address IDNR's concerns/goals and make local municipalities partners in your mission.

1. Collect and evaluate the CMAP data.
2. Local forum to discuss conservation efforts.
3. Local forum to highlight leak detection and loss prevention measures.
4. Local forum on training and education, how best to understand water loss and the latest technologies in fighting water loss.
5. New approaches in evaluating water loss, including credit for proactive programs to encourage reduction.
6. Help educate water professionals in a collaborative effort to reach a common goal.

In summary, it is agreed that conservation measures are part of the equation allowing for the development of long term sustainability models for future generations. The reality is these goals should be met by first accomplishing the least costly measures as summarized above.

Sincerely,



Anne Marie Gaura
Interim Director of Engineering & Public Works

Cc via-email: Brian Wagner, Superintendent-Utility Services



City of
Waukegan

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Robert G. Sabonjian, Mayor
Wayne Motley, City Clerk
Dr. John R. Schwab, Treasurer

April 1, 2013

Mr. Daniel Injerd,
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

RE: Proposed Changes to the Rules and Regulations for the Allocation of Water from Lake Michigan

Dear Mr. Injerd,

With reference to the information regarding changes to the rules and regulations for Lake Michigan allocations and the subsequent effect on unaccounted for water values, multi-family building metering and rate structures, the City of Waukegan would like to submit the following comments:

3730.102 Definitions- "Unaccounted for flow". The City of Waukegan strongly objects to the removal of the Maximum Unavoidable Leakage Table. While we would agree that some modifications could be made over time, especially on pipe that is less than 20 years old, the immediate elimination of this table appears to be overly onerous. Even reducing all gallons per minute (gpm) leak levels by half would be a more reasonable change to this portion of the Sub Part. We would not object to removing all mains 20 years old or less from the calculation. The reason we see the removal of this table as a major issue lies in the fact that if we look at our last several LMO-2 reports, if the amount from the Maximum Unavoidable Leakage Table were to be removed, our unaccounted for flow would exceed the 8% limit. Again, we feel that we are taking aggressive steps to reduce the unaccounted for flow. Unless funding mechanisms are provided and expanded as well as a phased approach is implemented, the resources necessary to rehabilitate water mains in long standing communities with older, but still adequate systems, like Waukegan and others are inadequate.

3730.307 Conservation Practices and Other Permit Conditions (c)(2)-"Metering of all new construction, including sub-metering in all multi-family buildings". The City of

Waukegan would also request that mandatory sub-metering be one of several options for water conservation in these building as opposed to a requirement. The use of all low flow water devices in each unit of these buildings could serve as an additional option and audible based leak testing could be mandatory by building maintenance staff on an annual or semi-annual basis. The installation of meters in each unit is again onerous to both the developer/contractor as well as the municipality. Necessary resources of staff and funds would be diverted away from maintaining the other infrastructure of the water system.

3730.307 Conservation Practices and Other Permit Conditions (f). The City of Waukegan objects to the mandate by the Department to recommend that water rates reflect the full cost of water. This recommendation, while laudable on the surface, could result in financial hardship for the residents of many communities and actually reduce needed revenues for ongoing maintenance. The rates and expenses that make up the water rate can unfortunately be easily manipulated as well which could reduce the overall effectiveness of this recommendation. Requiring more aggressive leak locating and maintenance of distribution systems could result in the same overall goal.

Finally, we recommend that the IDNR meet with local officials to explain the final rule changes and how it will impact the various communities that fall under the IDNR Lake Michigan Allocation Regulations. We know that water professionals are already informing their governing authorities of the proposed changes in the communities they serve. Community leaders, however, are asking questions that frankly the water professionals cannot answer.

Thank you for allowing us the chance to comment on the proposed changes as some of the recommendations could have very profound effects on water utilities.

If you have any questions or comments, please feel free to contact me at 847-599-2687 or via e-mail brian.andersen@ci.waukegan.il.us



Brian Andersen, Water Utilities Superintendent

City of Waukegan

360 E. Seahorse Drive

Waukegan, IL 60085

Cc: Honorable Robert Sabonjian, Mayor, City of Waukegan

Noelle Kischer-Lepper, Director of Policy and Projects, City of Waukegan

Tom Hagerty, Director of Public Works, City of Waukegan



Engineering/Water
Department

(847) 853-7535
Fax (847) 853-7702

April 3, 2013

Mr. Daniel Injerd,
Chief, Lake Michigan Management
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

RE: Proposed Changes to the Rules and Regulations for the Allocation of Water from
Lake Michigan

Dear Mr. Injerd:

The Village of Wilmette submits the following comments regarding the proposed changes to the rules and regulations for Lake Michigan allocations and the subsequent effect on unaccounted for water values, multi-family building metering and rate structures:

3730.102 Definitions- "Unaccounted for flow"

The Village of Wilmette strongly opposes the IDNR's proposal to remove the Maximum Unavoidable Leakage Table. While we agree that some modifications could be made, specifically on pipe that is less than 20 years old, the elimination of this table seems arbitrary and overly onerous. Like many local agencies along Chicago's north shore, Wilmette is an established community with a water distribution system that is over one hundred years old. It is disingenuous not to acknowledge that the age of water infrastructure has an impact on leak levels. Furthermore, while Wilmette has a program to systematically address inferior water mains, it is economically unrealistic for Wilmette, or any established community, to replace the entire distribution system over a short period of time. The Village has a very aggressive program to address unaccounted for flow and is committed to continuing our efforts as long as necessary.

3730.307 Conservation Practices and Other Permit Conditions (c)(2)-"Metering of all new construction, including sub-metering in all multi-family buildings"

The Village of Wilmette requests that mandatory sub-metering be one of several options for water conservation in multi-family buildings as opposed to a requirement. The use of all low flow water devices in each unit of these buildings could serve as an additional option and audible based leak testing could be mandatory by building maintenance staff on an annual or semi-annual basis. The installation of meters in each unit is again onerous to both the developer/contractor as well as the municipality.

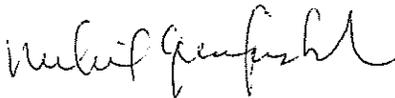
3730.307 Conservation Practices and Other Permit Conditions (f)

The Village of Wilmette strongly objects to the proposed mandate by the Department recommending that water rates reflect the full cost of water. This recommendation, while laudable on the surface, could result in financial hardship for the residents of many communities. We believe that consistent leak detection and diligent maintenance of distribution systems would result in the same overall goal.

Thank you for allowing the Village the opportunity to comment on the proposed changes as some of the recommendations could have very profound effects on water utilities.

If you have any questions or comments, please feel free to contact me at (847) 853-7531.

Sincerely,

A handwritten signature in black ink, appearing to read "Nabil Quafisheh". The signature is fluid and cursive, with the first name being the most prominent.

Nabil Quafisheh
Water Plant Superintendent



VILLAGE OF WINFIELD

Incorporated 1921

Village President
Deborah Birutis
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Erik Spande

April 5, 2013

Daniel Injerd, Chief
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

Re: Winfield comment letter on proposed rule changes regarding Lake Michigan water allocation
Sent via email to dan.injerd@illinois.gov

Dear Mr. Injerd:

Thank you for the opportunity to review and comment on the Department's proposed changes to the Rules and Regulations for the Allocation of Water from Lake Michigan. The Village of Winfield offers the following comments and suggested modifications to the proposal as drafted.

1) 3730.102 / Definitions

Please note that the term of "unaccounted for flow" is not consistent with the terms recommended by the American Water works Association (AWWA).

All systems, no matter the age, have some amount of unavoidable leakage which is a function of the pressure, length, and age of the mains and services. Some of this unavoidable leakage (i.e. background losses) are individual events (i.e. small leaks and weeping joints, etc.) that have flow rates too low to be detected by acoustic leak detection techniques. These losses are reflected in the current IDNR calculation for unavoidable leakage.

The logic is understood with the proposal to include these losses as a part of the unaccounted for flow. However unavoidable leakage is a reality of system operation. The elimination of this calculation will negate the ability to evaluate the impact of other efforts to reduce unaccounted for flow in areas that can be addressed by communities through operations and maintenance. Additionally by changing the formulas communities will lose the ability to complete historical comparisons if IDNR aggregates all of this information together.

Regardless, if all unavoidable leakage is included toward the 8% threshold, the other formulas should be modified to reflect other unbilled usage that is tracked by the municipality (i.e. hydrant usage) so that accurate data can be a part of the calculation. Additionally the artificial 1% cap on this usage that is currently in place should be eliminated. Please see the comments in 3730.304 / Water Needs Criteria for additional information on this.

2) 3730.304 / Water Needs Criteria

- a. This section references the requirement that unaccounted for flows cannot exceed 8%. The existing calculations on the LMO-2 form provide for a maximum usage of 1% under the "hydrant uses" category. However the actual total of items under the "hydrant uses" category of flushing, sewer cleaning, street cleaning, construction, etc. will exceed 1%.

It is unclear why unavoidable leakage will not be calculated, but the actual items being tracked are being artificially capped. This will create situations where the numbers inaccurately indicate a larger than actual unaccounted for flow, caused by artificial limits in the formulas being used. This usage is not "unaccounted for flow" rather it is simply non-revenue usage that comes with operating the system.

The final formula promulgated by the Department should provide a clear delineation to allow for accurate reporting between unaccounted for flow and non-revenue usage.

3) 3730.307 / Conservation Practices and Other Permit Conditions

- b. The same comments from 3730.304 / Water Needs Criteria apply to the language proposed here, especially that the final formula promulgated by the Department should provide a clear delineation between unaccounted for flow and unbilled flow.

C2. It is assumed that the goal with requiring sub-metering in multi-family buildings is to encourage conservation by individual units. However there is no proposed definition for what is considered multi-family. Additionally in many multi-family units, the water cost is paid for through an association fee based on a master meter for the complex due to water use outside the unit but within the complex (i.e. irrigation systems, pool, laundry units, etc.). Realistically, billing would continue to be done off the master meter for the building and the sub-meters would not serve a purpose. Additionally, IDNR should be cognizant that requiring sub-metering will require significant additional costs for builders to accommodate this requirement in the plumbing configurations and floor space and meter closets for the devices through-out the building.

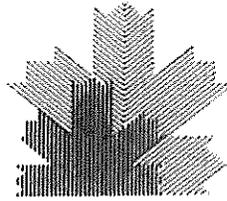
C4. The "Water Sense" fixture requirement is a mandate that would require amendment of the local ordinances adopting specified building codes. The Village supports conservation efforts however the ultimate decision on how to implement those conservation efforts and requirements should be a local decision with a recommendation to the Water Sense fixture being appropriate. From a logistical perspective, communities could only implement this requirement for new construction/major renovations in order to be able to verify the required fixtures are being installed under the required building permit. Replacement of an existing fixture does not require a permit and the Village would not want to impose that type of a burden on residents to begin to require permits for this type of simple work.

C8. The "Water Sense" irrigation controller requirement would require amendment of the local ordinances adopting specified building codes. The Village supports conservation efforts however the ultimate decision on how to implement those conservation efforts and requirements should be a local decision, with a reference to the Water Sense controller being appropriate. Similar to C4, this would only be able to be enforced on new systems as replacements do not require a permit.

Sincerely,



Curt Barrett
Village Manager



Village of Woodridge

Department of Public Works • One Plaza Drive • Woodridge, IL 60517-5015
(630) 719-4753 • TTY (630) 719-2498 • FAX (630) 719-0971

March 29, 2013

Daniel Injerd, Chief
Illinois Department of Natural Resources
Office of Water Resources
Michael A. Bilandic Building
160 N. LaSalle St., Suite S-703
Chicago, IL 60601

Re: Woodridge Comment Letter_Proposed Rule Changes Lake Michigan Water Allocation
Sent via USPS and email to dan.injerd@illinois.gov

Dear Mr. Injerd:

Thank you for the opportunity to review and comment on the Department's proposed changes to the Rules and Regulations for the Allocation of Water from Lake Michigan. The Village of Woodridge offers the following comments and suggested modifications to the proposal as drafted.

1) 3730.102 / Definitions

Please note that the term of "unaccounted for flow" is not consistent with the terms recommended by the American Water works Association (AWWA).

All systems, no matter the age, have some amount of unavoidable leakage which is a function of the pressure, length, and age of the mains and services. Some of this unavoidable leakage (i.e. background losses) are individual events (i.e. small leaks and weeping joints, etc.) that have flow rates too low to be detected by acoustic leak detection techniques. These losses are reflected in the current IDNR calculation for unavoidable leakage.

The logic is understood with the proposal to include these losses as a part of the unaccounted for flow. However unavoidable leakage is a reality of system operation. The elimination of this calculation will negate the ability to evaluate the impact of other efforts to reduce unaccounted for flow in areas that can be addressed by communities through operations and maintenance. Additionally by changing the formulas communities will lose the ability to complete historical comparisons if IDNR aggregates all of this information together.

Regardless, if all unavoidable leakage is included toward the 8% threshold, the other formulas should be modified to reflect other unbilled usage that is tracked by the municipality (i.e. hydrant usage) so that accurate data can be a part of the calculation. Additionally the artificial 1% cap on this usage that is currently in place should be eliminated. Please see the comments in 3730.304 / Water Needs Criteria for additional information on this.

2) 3730.304 / Water Needs Criteria

- a. This section references the requirement that unaccounted for flows cannot exceed 8%. The existing calculations on the LMO-2 form provide for a maximum usage of 1% under the "hydrant uses" category. However the actual total of items under the "hydrant uses" category of flushing, sewer cleaning, street cleaning, construction, etc. will exceed 1%.

It is unclear why unavoidable leakage will not be calculated, but the actual items being tracked are being artificially capped. This will create situations where the numbers inaccurately indicate a larger than actual unaccounted for flow,

caused by artificial limits in the formulas being used. This usage is not “unaccounted for flow” rather it is simply non-revenue usage that comes with operating the system.

The final formula promulgated by the Department should provide a clear delineation to allow for accurate reporting between unaccounted for flow and non-revenue usage.

3) 3730.307 / Conservation Practices and Other Permit Conditions

b. The same comments from 3730.304 / Water Needs Criteria apply to the language proposed here, especially that the final formula promulgated by the Department should provide a clear delineation between unaccounted for flow and unbilled flow.

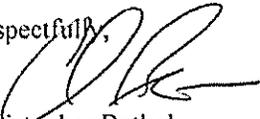
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Should you have any questions regarding this information, please feel free to contact me at cbethel@vil.woodridge.il.us or 630-719-4767. Thank you again for this opportunity.

Respectfully,



Christopher Bethel,
Director of Public Works

Cc: Kathleen Rush, Village Administrator
Michael Mays, Director of Community Development
Eric Alwin, Building Commissioner

From: Ron Colangelo
Sent: Tuesday, October 11, 2011 3:27 PM
To: 'dan.injerd@illinois.gov'; 'james.casey@illinois.gov'
Subject: Lake Michigan Water Allocation Issue - August 2011

Dear Mr. Injerd and Mr. Casey:

After reviewing the above referenced newsletter I am writing to you with a few questions and concerns regarding the possible elimination of the unavoidable leakage allowance calculation.

If considered, when would it be implemented?

Being that all water systems experience water loss of some kind, is there a proposed replacement formula or parameter being considered?

What, if any, are the ramifications to municipalities if the allowance calculation is eliminated and water loss is incurred?

I am sure that you have probably been inundated with similar questions regarding this issue. Our community aggressively works upgrading our infrastructure and detecting leaks to prevent loss but as you may well know all capital improvements are limited by their annual budgets and in older communities completely eliminating loss will be challenging to say the least. Especially in these times with limited resources.

While we all agree that water loss is a major issue with today's costs, so is the cost of upgrading infrastructure. Therefore, we I would like to go on record as opposing any change at this time.

I hope all factors are taking in to consideration before a decision on this issue is made.

Sincerely,

Ron Colangelo

Director of Public Works and Engineering

City of Zion

Ph. (847) 746-4057

Fax(847) 746-0355