



June 5, 2007

Ms. Lisa Wojnarowski, Program Manager
Council of Great Lakes Governors
35 East Wacker Drive, Suite 1850
Chicago, Illinois 60601

Re: Great Lakes-St. Lawrence River Basin Water Conservation and Efficiency
Initiative

Dear Ms. Wojnarowski:


The Pennsylvania Chamber of Business & Industry, on behalf of its members representing the spectrum of Pennsylvania industry, business, and commercial enterprises, appreciates the opportunity to provide comments concerning the Water Conservation and Efficiency Initiative, draft goals and objectives as released for public comment on March 15, 2007.


As reflected in the Great Lakes-St. Lawrence River Basin Sustainable Water Resources Agreement, and the proposed Great Lakes-St. Lawrence River Basin Water Resources Compact, husbanding the water resources of the basin and assuring equitable access and long-term availability of water are essential to the region's long term economic and environmental interests. Business and industry within the region recognize that continued access to water is critical to both sustaining jobs and expanding enterprises, while economic and other factors provide strong incentives for seeking more efficient use of water in all sectors.

Undoubtedly, water conservation is an important element in the management in Great Lakes region water resources, as well as water resources across the remainder of the nation. As reflected in our support of the water conservation program embodied in the Pennsylvania Water Resources Planning Act, the Pennsylvania Chamber and its members strongly support ongoing educational, technology transfer, economic incentive, and other voluntary programs to promote water conservation and water use efficiency. Indeed, the costs of water supply treatment, as well as wastewater treatment, have provided a strong stimulus to many improvements in water use efficiency through the region. As a result, industries have invested steadily in improving water

use efficiency; and today in many facilities, more goods and services are produced for less water per unit of output than ever before.

In this regard, we would note several key points:

 The draft Initiative wisely chooses to avoid attempts to set numeric conservation objectives. The factors affecting water use vary widely between commercial and industrial sectors, and subsectors, and even within individual facilities within a given sector. It is almost impossible to set a numeric “conservation objective” or “water use efficiency objective” that applies to all enterprises even in a particular major sector or subsector, such as oil refining, steel or auto manufacturing, pharmaceutical production, or food processing. Individual facilities and processes vary widely, and many factors affect the amount and quality of water needed in each of those processes. If we look to history, in the water quality effluent limitation guideline setting process, it took several decades to classify major industrial sectors, to divide them into appropriate subcategories, and then conduct research leading to the establishment of categorical treatment standards and effluent limit guidelines for each subcategory—and *EPA is still not done*. In contrast, we are not aware of any comprehensive studies or research efforts which have attempted to systematically evaluate, or even develop appropriate metrics for measuring, water use efficiency in various water use sectors. Given this paucity of information, launching efforts to establish numeric objectives would embroil the basin’s water conservation program in protracted debates and disputes, drawing productive energy away from the real goal—to promote long-term efforts at improved efficiency.

 The value of economic factors in promoting water conservation should not be underestimated. For most industries, bottom line economic costs are the driving force for pursuing water conservation and water use efficiency. As with energy conservation, rising costs have stimulated most facilities to evaluate their processes, and to pursue improvements in those processes. Water is a significant cost item. While some folks may think water is (or should be) free, any industrial facility knows that water involves significant costs—for development, storage, treatment and distribution, and for post-use treatment and either reuse or discharge. Economic costs and incentives, far more than any form of governmental regulation, will drive the path toward water use efficiency in commercial and industrial enterprises.

As drafted the goals and objectives appear to be broad, flexible, and allow for the ability of the individual jurisdictions to set specific goals reflective of their unique needs. The Chamber supports adoption of these goals and objectives as proposed in the draft dated March 15, 2007.

In Pennsylvania, the Pennsylvania Chamber is actively participating in efforts convened through the Statewide Water Resources Committee to set the framework for the Commonwealth’s water conservation technical assistance center. The Water Conservation Subcommittee recently identified a series of “questions” that must be tackled to frame an effective program. Those questions include:

1. How do we define water conservation?
 - (a) What counts as part of conservation?
 - (b) Are there appropriate metrics for measuring “conservation”? Does it vary by sector, type of use, facility?
2. How do we define water use efficiency?
3. What are the appropriate metrics for measuring efficiency?
4. What are the current programs available in the water conservation/water use efficiency field?
 - (a) Who is doing what?
 - (b) What seems to have worked?
 - (c) What are the gaps or shortcomings?
5. What are the current incentives for water conservation/water use efficiency?
6. What are the current disincentives/impediments to water conservation/water use efficiency?
 - (a) Technical
 - (b) Regulatory
 - (c) Economic/marketplace
 - (d) Information/education
7. Do different sectors have different needs/challenges? Do these warrant different approaches/programs?

It would be most helpful if the Council of Great Lakes Governors, the Regional Body, and others involved at the regional level in Great Lakes water management efforts focused on helping States to answer these questions. Solid information and data is critical to making wise choices, and good technical information is needed by the private and public sector alike as we move forward to find more efficient methods for water use.

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With appreciation for the efforts made in developing these draft goals and the opportunity to provide these comments, the Pennsylvania Chamber looks forward to continuing positive and cooperative efforts toward pursuing these objectives.

Sincerely,

Gene Barr

Vice President, Government and Public Affairs