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WATER POLLUTION CONTROL ACT OF 1972: EFFECT ON SMALL COMMUNITIES

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HEARING

BEFORE THE

SUBCOMMITTEE ON ENVIRONMENTAL POLLUTION

OF THE

COMMITTEE ON PUBLIC WORKS

UNITED STATES SENATE

NINETY-FOURTH CONGRESS

FIRST SESSION

APRIL 5, 1975—GARDINER, MAINE

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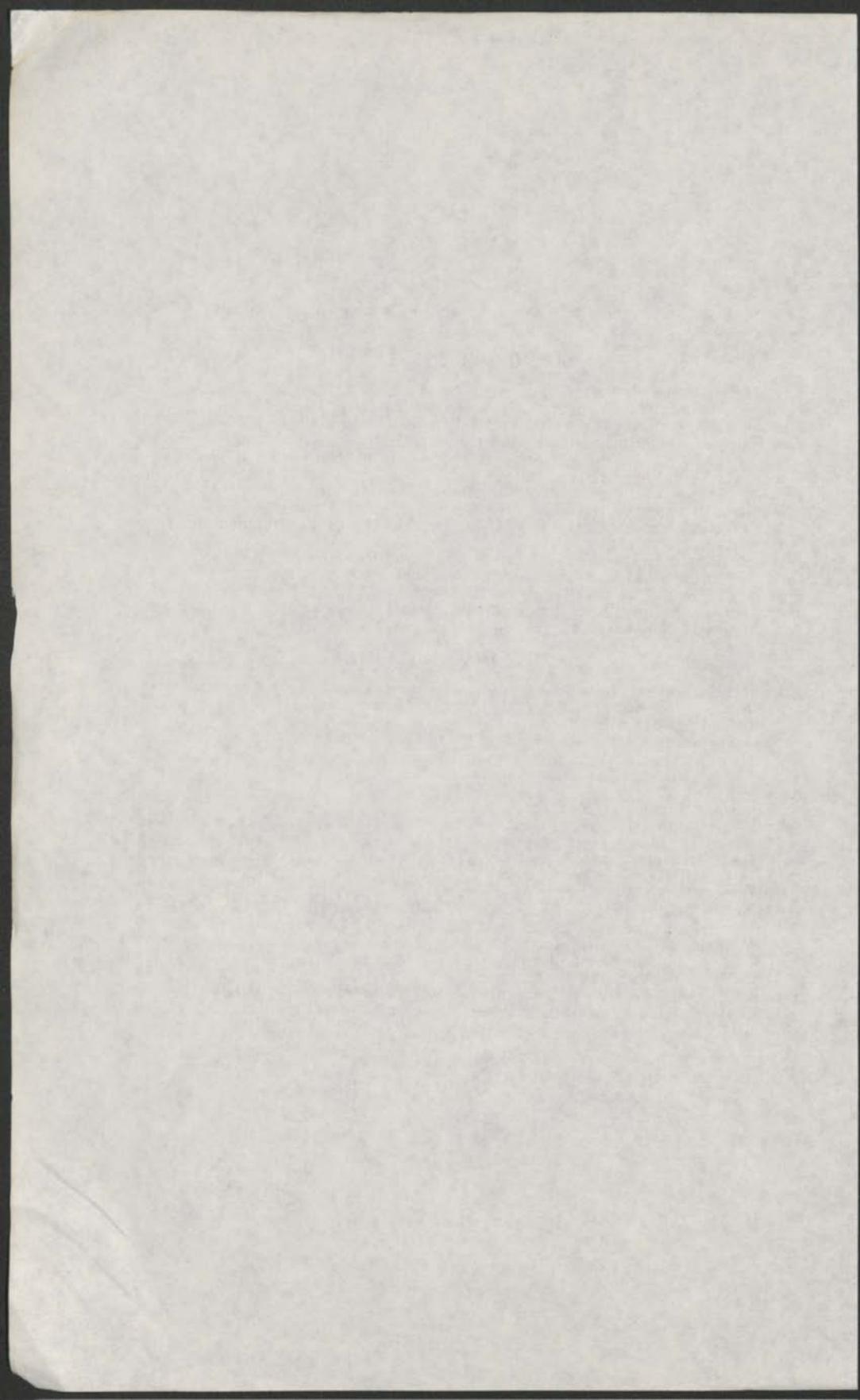
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WATER POLLUTION CONTROL ACT OF 1972: EFFECT ON SMALL COMMUNITIES

SATURDAY, APRIL 5, 1975

U.S. SENATE,
COMMITTEE ON PUBLIC WORKS,
SUBCOMMITTEE ON ENVIRONMENTAL POLLUTION,
Gardiner, Maine.

The subcommittee met at 10 a.m., pursuant to call, in the city council chamber, Gardiner, Maine, Hon. Edmund S. Muskie (chairman of the subcommittee) presiding.

Present: Senator Muskie, chairman.

Senator MUSKIE. Mr. Mayor, I think it would be appropriate to express our appreciation to you for making these beautiful facilities available to us. We are delighted to be holding this hearing in Gardiner.

Mayor SHAPIRO. You are certainly welcome, Senator Muskie, and we are privileged to have you and your staff as guests here this morning to use our facilities. I think perhaps a lot of good can take place from what is going to—

OPENING STATEMENT OF HON. EDMUND S. MUSKIE, U.S. SENATOR FROM THE STATE OF MAINE

Senator MUSKIE. It is rather symbolic, as I hope I can indicate at the moment that we are meeting in this municipal building in a small town in Maine. That is our concern.

I'd like to begin with just a few observations to indicate not only to the witnesses but to those others in the room exactly what the purpose of this meeting is. And I'd like to begin by saying "thank you" to all of you for giving your Saturday, at least this Saturday morning, to the subcommittee for this hearing. I know how precious a weekend can be after a busy week, especially at this time of the year when we're all working on our taxes.

We have asked you to come here today to discuss something that is of concern to each member of the subcommittee: How smaller communities are coping with the program mandated by the Clean Water Act of 1972. In Washington we always hear from the big cities and the organized interest groups. Seattle and Chicago must have contacted us a hundred times, at least, in the last 2 years. But we think we need to hear from the smaller places as well and that's the purpose of this workshop, which isn't really in the form of a conventional hearing.

There are two major areas of concern to the subcommittee, issues that coalesce many of the specific problems that will be raised today.

And I would expect them to form the theme of today's discussion: (1) What should national policy be for an industry which, in all good faith, is committed to a stalled municipal system? The deadlines are fast approaching. And, (2) what treatment options are available to a small community to meet its clean water requirements? Big city solutions don't often work in small towns.

We are fortunate to have with us this morning a representative and knowledgeable group to translate those general issues into the practical problems which officials and industries are facing.

During the morning I will call on each of you, in turn, and ask you to spend about 10 minutes explaining your specific situation. I will then try to ask some questions to stimulate a general discussion.

This hearing will conclude at 12:30. Unfortunately, we cannot accommodate every citizen who could make a contribution to the hearing but, if there is some time left over, we would be glad to invite any comments from citizens in the group.

Bill, I wonder if you wouldn't like to sit around this table? Mr. Adams is the State commissioner in charge of the program in the State, and may I say I'm always proud that Maine has progressed so well. I think Maine ranks among the top States in the country in terms of its response to this program and the problem, and its ability now to take advantage of the funds which, thanks to the Supreme Court, have been unleashed and are available to us. This is one time where two branches of the Government, the court and the Congress, combined to implement public policy.

And now if I may proceed to our witnesses this morning, we'll start with the first witness, who holds the rare distinction of serving on the Governor's Executive Council as a Democrat, and I think you'll all agree that is a rare distinction, indeed. But, this morning he is representing the Dover-Foxcroft area, within the Guilford-Sangerville Sewer District, and we're delighted to call on you, Charlie, at this point to start the discussion.

STATEMENT OF CHARLES JACOBS, GUILFORD-SANGERVILLE SEWER DISTRICT, ACCOMPANIED BY WILLIAM R. ADAMS, JR., COMMISSIONER, AND DENNIS PURINGTON, CHIEF, DIVISION OF MUNICIPAL SERVICES, MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION

Mr. JACOBS. Thank you, Senator. If I might, I will speak of the current general situation in Dexter, Dover-Foxcroft, Guilford area and then deal more specifically with the problems facing these towns in meeting the requirements of the 1972 Clean Water Act.

First of all and perhaps most important, this area is a depressed economic area of the State. We have a high unemployment rate. In Piscataquis County the unemployment is now 15.5 percent. The western Penobscot point—in western Penobscot County it is 19.5 percent. We have marginal industries; that is, shoes and textiles, and a very low per capita income.

The towns that I will discuss, Guilford, Dexter and Dover, with particular emphasis on Guilford, are all small towns, ranging from 2,000 to 4,000 people. Guilford is perhaps the most significant—has the most significant economic problems. Guilford Industries, its only

major employer, a year and a half ago was employing 500 people. At this point in time, they are employing 175. And they also have received, or are about to receive, an EDA loan, operating loan of, I believe, \$400,000 or \$500,000. They are in difficult financial straits.

With particular regard to the 1972 Clean Water Act, there are—at this point in time—no treatment facilities in any of these towns. All of them have a low priority, and it appears now, unless funding is increased, that none of these towns will meet the deadlines, either the State deadline or the Federal deadline of July 1977.

With regard to collection systems, Guilford has no collection system whatsoever; Dexter and Dover-Foxcroft have inadequate collection systems; that is, they mix sewage and storm water and therefore don't meet the Federal or State requirements. The major polluting industries in Dexter are now committed to joining the municipal systems. Dover has no major polluting industry at this point in time.

With particular regard to the situation in Guilford, the town of Guilford has obtained a \$100,000 loan from FHA. We are planning site selection for the sewage treatment plant. Guilford Industries has also invested \$100,000 in planning within its own shop. Just to give an example of how this act will impact on the people in Guilford, and I use Guilford because they don't have a collection system, the financial impact on the citizens will probably be greater there than in any of the other two towns. If Guilford Industries joins with the municipal district, which is actually Guilford and Sangerville—which is contemplated—and if there is no help from the Federal Government in building the collection system, not only the treatment plant but the collection system, the user charges will probably be in the vicinity of \$176 per year. This compares with current user charges in Dexter and Dover-Foxcroft of \$16 and \$27, respectively. The combined user charge and capital payback for Guilford Industries would be \$40,000 or \$50,000 a year.

One of the officials of Guilford Industries indicated to me yesterday that they could handle the \$40,000 or \$50,000, that would not overly burden them, in terms of cost.

Senator MUSKIE. That's \$40,000 or \$50,000 for the user charges and the payback on the collection system?

Mr. JACOBS. No, that doesn't involve the collection system—
Senator MUSKIE. I see.

Mr. JACOBS [continuing]. That's a user charge and the payback to the Federal Government.

Senator MUSKIE. Wholly on the treatment plant?

Mr. JACOBS. Right. Another factor that will impact very significantly on the people in Guilford are the hookup charges which could vary, because of the situation, from \$300 to \$1,000 for each household. And, currently, there is an EDA disaster relief proposal pending that might provide some assistance to Guilford, Dexter, and Dover in updating their collection systems.

I might just say that the projected cost of the collection system is \$2.2 million and the treatment plant and interceptors will be approximately \$1,066,000. I guess that it's obvious that the economic impact on the people in Guilford is very significant. The combined high user charges and the hookup costs will pose a very great burden through that town.

Senator MUSKIE. What's the population of Guilford?

Mr. JACOBS. Approximately 2,000. They do have a municipal—by the way, that includes Sangerville—water district.

In terms of possible solutions to the problem, I think there has to be some Federal help in building a collection system and that would reduce the user charge significantly. I think they could handle the operating costs, and I don't think that would be overly burdensome. But I think with paying off the capital on the construction costs of the collection system, I think that it would be prohibitive. The cost would be higher than the property taxes in many cases in Guilford.

Perhaps there could be—I think we've agreed though—I don't know if there's anyone here from Greenville today, but Greenville had a package of various funds they put together. Perhaps you are familiar with it. I think there was some HUD money, FHA, EDA, that was used to build their collection system and perhaps some sort of combination could be put together to assist Guilford in that regard.

Senator MUSKIE. There hasn't been any HUD money available for some time.

Mr. JACOBS. There is some, but it is limited, I think. There is discretionary grants of 2.2 million for Maine, which, if that all went to Guilford, it would solve Guilford's problem, but there is no significant amount of money in HUD right now. And, also, FHA, I don't believe, would assign a high priority to collection systems, at this point.

I think, also, perhaps where hookup charges are very high, that perhaps, the FHA—I'm not familiar with FHA, but perhaps there could be some assistance provided where the hookup charges in a particular situation are overly burdensome.

Now, perhaps the most serious, or the most significant, issue is how Guilford Industries should be treated, given the fact that Guilford will not meet either the State or the Federal deadline because of their low priority. It seems to me that the most obvious alternative would be to increase Federal funding, and even if that were done immediately, it's doubtful if they could meet the deadline, either deadline, even if funds were made available immediately.

So it seems to me there has to be something done that either would extend the deadlines or grant some sort of variance in certain situations. I can't believe that anyone is very anxious to enforce those deadlines on a municipality, particularly when the delay results from lack of Federal funds. So that I guess the question is whether Guilford Industries, or industries in general, should be treated the same as—in the same manner as municipalities or granted the same waiver or extension.

I guess my preferred action in the particular case of Guilford would be that the industry should be treated the same as the municipalities in either granting waivers or an extension of the deadline. It seems to me that if they were treated differently, it would encourage the industry to build its own—encourage or force the industry to build its own treatment plant which, in the case of Guilford would result in higher user costs for the people within the town, higher construction costs—

Senator MUSKIE. When they finally build the municipal treatment plant.

Mr. JACOBS. Right. In other words, they wouldn't be sharing the operating costs or the costs of capital construction, so both the industry and the townspeople would be penalized from that situation. So, I think, by treating them the same, we would be encouraging Guilford Industries to join with the town and would thereby result in whatever economies of scale that would result from a joint venture.

I think there is—the argument raised against that is there is—an equity argument that—what about those industries who have in good faith gone ahead and constructed their plant, their treatment plants, and does that put them in a less competitive position with regard to industries who have been slower to either join in with a municipal district or construct their own plant? I think the answer to that perhaps is that it may well be inequitable but there are already inequities in the system. Those industries that got in before the 1972 amendments, for instance, aren't contributing to the capital costs of the treatment plant, if they joined with a municipality, so they are in a different position than industries who are attempting to build their plants now or join with a municipality. So there are some inequities anyway.

And I think also the Federal Government has established a policy encouraging industries to join with municipalities and it would seem unwise to reverse that at this point in time.

In terms of granting either a waiver or an extension, I'm not sure which is the better alternative. I think it would depend somewhat on what percentage of towns and industries will not be ready on July 1, 1977. If there is a very high percentage that have already built their plants, then perhaps a waiver would be the best alternative, because it recognizes the varying situations throughout the country. And it would allow the Government to impose some sort of standards, for instance, in terms of where a waiver would be granted.

You mentioned, Senator, alternatives to the general collection, interception and secondary treatment facilities. I'm not a technologist. I don't know—I'm not familiar with what alternatives there might be, but I will say this, that the people in our area aren't aware of any alternatives. They're moving ahead with the traditional systems and they are either not exploring or not aware of any cheaper alternatives at this point in time. I think that's perhaps all I would say, at this point Senator Muskie, unless you have any questions—

Senator MUSKIE. All right, then. I want to make sure I understand everything you said. All of the polluting industries in your county have made or are willing to make a commitment to join in the—

Mr. JACOBS. I'm talking about the Dexter, Dover, Guilford—

Senator MUSKIE. Those three.

Mr. JACOBS. Those three towns.

Senator MUSKIE. And they've all made that commitment?

Mr. JACOBS. That's my understanding, yes.

Senator MUSKIE. But, of the three towns, Guilford is the only one without a collection system?

Mr. JACOBS. That's right.

Senator MUSKIE. And it is that problem which you have emphasized in your testimony. Is it exclusive to Guilford?

Mr. JACOBS. That's right.

Senator MUSKIE. As a result of that, I gather, no application has been made to the State for treatment plant money?

Mr. JACOBS. I think they have made application, but I believe we're low on the priority list. I think the reason is, in part, because of the pollution problems in those towns and on the Piscataquis River and the Sebasticook River are less than in other areas of the State and for that reason, in part, I think, we were assigned a low priority. The commissioner might be able to elaborate on that.

Senator MUSKIE. The question I would put to the commissioner, if he could answer it, is: The priority list therefore, in effect, mandated that towns in this situation could not meet the deadline, isn't that right, Bill?

Mr. ADAMS. The priority list depends on a series of factors, and where a community places on it. The area involved is on the priority list. The final plans, or the commitment to final plans, has not been made because there has been some indecision in studies from the industry and the town as to whether or not they should join the town. I think it's only the last study which indicated they definitely should go in with the town.

Senator MUSKIE. Have you made judgments in the case? Has the commission made judgments on these particular towns, on the desirability of a joint system?

Mr. ADAMS. Well, we leave that to the areas themselves rather than the Commission deciding whether or not it should be a joint venture. Basically, the department feels that joint ventures are helpful. In this particular case, it means lower user charges for both the industry and the citizenry, and so the commission is willing to allow that and hopeful that it will come to that.

Senator MUSKIE. Now, I take it that even though all Federal funds authorized in the 1972 act have now been released, that they would not be sufficient to fund the projects in Guilford and Piscataquis Counties.

Mr. ADAMS. We have them scheduled for some step 1 and 2 grants, design for construction.

Senator MUSKIE. So that a solution to the problem that Mr. Jacobs has described must await further congressional action, in other words?

Mr. ADAMS. Yes, sir.

Senator MUSKIE. Do you have any knowledge at all of the money available, about the money available for collection systems?

Mr. ADAMS. The department, Senator, has given interceptors and treatment plants priority. We are not funding collection systems at the moment. It's just that we don't have enough to go around. We put a higher priority on cleaning up rivers where towns already have a collection system.

Senator MUSKIE. And the HUD money is processed directly from HUD to the community, I take it? It doesn't go to a State agency; is that correct?

Mr. ADAMS. No; HUD money does not go through us. It's in addition to anything we put in. FHA also participates, as you know. I believe Ellsworth received some FHA money.

Senator MUSKIE. Yes, and that's a direct Federal municipal line. Have you been in touch with HUD on these questions?

Mr. JACOBS. I don't believe HUD has been contacted, no. I was only made aware that there was some money available yesterday.

Senator MUSKIE. Are you ready to make that contact? I mean, do you think you are far enough advanced in your thinking about it and

that the county could approach HUD on the availability of collection money?

Mr. JACOBS. I think it's appropriate to make the contact but at the level of funding now, as I understand it, there is only \$2.2 million available for the whole State, for discretionary grants.

Senator MUSKIE. If nobody else grabs for it, you ought to! [Laughter]

Mr. JACOBS. I assume that others are.

Senator MUSKIE. I wouldn't make that assumption.

Mr. JACOBS. This \$2.2 million isn't designated specifically for sewage collection systems. In other words, it is a broad discretionary grant that is available for all sorts of community developments.

Senator MUSKIE. Oh, I see.

Mr. JACOBS. So the chances of getting that money in any significant amount are probably low.

Senator MUSKIE. To what extent has the problem of lack of collection systems been an obstacle to the development of the treatment program?

Mr. ADAMS. In several communities, very serious because it drives the user charges beyond the reach of the normal householder.

Senator MUSKIE. Have you got an analysis of that, so we could get a picture of the total need in this respect, the total cost?

Mr. ADAMS. Yes, sir. We have a breakdown by the categories that are established, EPA established five, of all of those needs and we can make those available to you.

Senator MUSKIE. Would you see that the material is made available to the staff?

How do you respond to the suggestion that has been made, Charlie, that perhaps in order to eliminate potential inequities, if an industry in this situation is given a variance or an extension, how do you respond to the suggestion that maybe user charges could be negotiated and payments started and put into escrow, looking toward the time when the plant is constructed?

Mr. JACOBS. I think there are some problems with that. For one thing, it seems to me that it is taking money out of circulation, putting the industry's money out of circulation, which is a serious problem for a marginal industry like Guilford.

Whatever amount that would be, \$40,000, \$50,000 a year, if it's going to be 10 years, or 8 years before they build a plant, they would have a significant amount of money tied up that wouldn't be used.

Senator MUSKIE. Without benefit.

Mr. JACOBS. To anyone.

I think that's the most serious problem with that proposal. As I said before, I think that money could better be used by the industry in other ways. For instance, in improving the economic situation, providing more jobs or perhaps in the meantime reducing some of the pollution. For instance Guilford Industries have already reduced their pollution from 800,000 gallons a day to 250,000 gallons a day.

Senator MUSKIE. How have they done that? By process changes?

Mr. JACOBS. I assume so. I'm not familiar with the details. But anyway, I think that's one of the major obstacles to that proposal. And I'm not sure the equity argument is a very significant one. I think as I said, I think there are inequities anyway. I'm not sure it really greatly affects the competitive position of the various industries.

Senator MUSKIE. Thank you, Charlie. Let me turn to the next witness to make sure we cover everybody before we get involved in a lot of questions.

Our most distant witness, Mr. Louis Cyr, is town manager of Madawaska. I apologize for bringing you down through all this weather.

STATEMENT OF LOUIS CYR, TOWN MANAGER, MADAWASKA, MAINE

Mr. CYR. It is quite all right, Senator, and I certainly want to thank you for inviting me here today.

I think, if I make no other point here, I would like to make one, and impress this very much on you, is the fact that most big city people forget what Maine is composed of. And Maine, in my opinion, is composed of small towns, and I think we lose sight of that sometimes.

And I can best illustrate that by saying that Madawaska is a town of 6,000 population. We rank 49th in the State in population. In valuation we rank 13th in the State. And we are a State of about 495 communities, which means there is about 450 communities with less than 6,000 people, and believe me, Senator, there are a lot of communities with less than 1,000 people. I know you know this but, sometimes, we lose sight.

And in talking regarding water quality in small towns, I can best illustrate that by a meeting we had in Augusta a few months ago, and we had some experts testifying about the surface treatment of water, surface runoff. The guy was highly educated and, I am sure, highly knowledgeable, but he was not relating to the State of Maine. He was talking about Los Angeles, he was talking about New Jersey, Indianapolis, and here he's testifying in the State of Maine, trying to relate to our problem, which is unlike a big city—they don't have the same problems. Especially in my town.

And, by the way, I might add here that our area is doing considerable work in cleaning up the St. John River, which is an international boundary between Canada and the United States. Fort Kent, which is about 20 miles north of Madawaska, has a treatment plant, which was put in operation, I believe, 2 years ago. Coming down river, Frenchville does not, but it has plans.

Senator MUSKIE. How big is Frenchville?

Mr. CYR. About 1,500 people. I might point out Fort Kent is about 4,000; Frenchville, 1,500. St. Agatha has a treatment plant, which was polluting a beautiful lake up there, which is Long Lake, and this has been cleaned up. There are no more industrial wastes or town wastes going into the Long Lake area.

Madawaska has completed its final application and we have been funded, I understand, for our treatment plant, which will cost about \$2.2 million. Our share of this will be about \$550,000. We also are in the process of—or the problem, I should say—

Senator MUSKIE. Could you explain that, Louis? That's 25 percent.

Mr. CYR. Well, this is what we were told, Senator. We were told that the system actually cost \$2,291,000 and our share is roughly \$550,000.

Senator MUSKIE. Does that include some collection money?

Mr. CYR. Well, yes. This is what I was going to add, there. Since we are extending our collection system, we have to pick up about an extra mile and a half, maybe, which will cost the town \$250,000.

Senator MUSKIE. All right.

Mr. CYR. We have the same problem as the Guilford area. This is going to be borne 100 percent by the town, we were told. We were told this was not—could not be funded.

Senator MUSKIE. Not unless we can get some more money into that HUD program.

Mr. CYR. Right. So, what I am trying to say here is that our area is cleaning up the St. John River, and Madawaska, hopefully by 1977, will be in operation.

Now, going down river, the Grand Isle area is talking about a treatment system, and that's a town of about 800 people.

Senator MUSKIE. Is there an industry in Grand Isle?

Mr. CYR. No industry. It's mostly composed of farmers and people who work in our town, in Madawaska, at Fraser Paper, Ltd. It is a large paper mill. It employs about 1,200 people, and they contribute highly to the pollution in the St. John River. They dump about 200 to 300 tons of solids in the river every day. But there, again, they are cleaning up their problem. A clarifier system is being constructed, which should be in operation, I hope, early next year, which will remove about 200 cubic yards of solids every day, mostly fiber and clay.

Senator MUSKIE. Is that the biggest industrial pollutant in this whole group of towns?

Mr. CYR. Yes; it is. So that by 1977 the St. John River from the Allagash down to Van Buren—and I might add, Van Buren already has a system which is operating, and that's a town of about 4,000 people, it is operating and there is very little waste going into the river. So that by 1977, that river will be pretty clean, hopefully. We'll probably get salmon back up that river somehow.

Senator MUSKIE. Do you have ice fishing derbies up there?

Mr. CYR. No; we have this on Long Lake.

But to come back to the small town concept, you see, Madawaska is 6,000 population, yet we're continuously referred to as a small town, which in my opinion, if we relate it to the State of Maine, we are not. And, sometimes I feel we are forgotten because we are a small town.

Madawaska, by the way, pays the highest county tax in Aroostook County and that includes Presque Isle, Houlton, and Caribou, which are about double our population, so I sometimes question this deal where we are continuously referred to as small towns and sometimes forgotten, because we are small towns.

Senator MUSKIE. And charged as though you were a big town?

Mr. CYR. Yes. A funny one happened with the State, the department of transportation. They claim that if a town is over 5,000 population, we have to maintain our main street, U.S. 1, going through the town. Yet there was some funds available the other day and it was available to all towns over 5,000, so I applied for it and I was told we were too small, because we didn't have 5,000 people in the urban area. And sometimes, you know, it gets irritating.

But, to come back to pollution, Senator, I feel, personally, that the St. John Valley, which I come from, is doing, or has done considerable work to clean up the St. John River.

The only concern I have is small towns—again I'm going to use the words, "small towns"—like Frenchville, which is mainly composed of—the whole town is on U.S. 1 and it stretches for about 6 miles. So how do you construct something that will clean up their problem? Economically, I think it is very costly for a town like that, yet unless they get almost 100-percent Federal money, they just can't afford it.

I might also add here that sometimes we feel the pollution is a lot worse than it is. To illustrate that, we, even before Fort Kent had a treatment plant (they are only 20 miles up river from us) 20 miles downstream where we live, we're drinking the water. In other words, our water treatment plant pulls water from the river, treats it and it is drinkable, and I understand that it is good quality.

To illustrate a point that Mr. Jacobs said, our user charge for our treatment plant, I understand, will be between \$60 and \$80 a year. I think the townspeople can afford this. But a town like Grand Isle or Frenchville, where the user charge just would have to be higher because of the operating costs and the very few connections that would be made on this system.

That's about all I have, Senator, unless you have questions.

Senator MUSKIE. What kind of a user charge will the Fraser Paper Co. be paying, do you know?

Mr. CYR. Fraser has elected to maintain a system by itself. They will not be connected, except for their sanitary wastes, and they will be charged by the amount of waste that they have on this system. But they are going alone. They are not going with Madawaska.

Senator MUSKIE. You know, you talked about these small towns like Frenchville with no industrial pollution.

Mr. CYR. No.

Senator MUSKIE. I guess most—there are others here that—St. Agatha doesn't have any industry.

Mr. CYR. No.

Senator MUSKIE. You know, in Vermont they are exploring the possibility of using septic tanks for clusters of houses, with the State assuming the responsibility for proper construction. I don't know whether that will work, or not, but it seems to me.

Mr. CYR. I think—

Senator MUSKIE. It's an idea worth pursuing.

Mr. CYR. Yes.

Senator MUSKIE. Then you can be sure that proper standards are set, site selection takes the water table, the contour of the land, all other factors into account.

So I think that's worth exploring and developing. There is another idea, of course that is being slowly developed in some parts of the country, and that is the use of—what do you call that—it's land treatment or spray irrigation that converts the effluents and the nutrients in the effluents into effective fertilizer. It seems to me that might be worth exploring for an area like Aroostook County.

Mr. CYR. Yes; but the only comment I have to make on that, Senator, is again, the fact they don't realize where we live and I have—

Senator MUSKIE. I do. I've campaigned up there.

Mr. CYR. I have problems with Augusta all the time because, in the winter, and I'm sure many of your communities have the same problem but maybe not quite as bad—you see, we have frost 4, 5, and 7 feet deep in the wintertime. The State health and welfare says you can't dump this stuff on frozen ground. Now, they're not thinking right, because anywhere north of Houlton you've got this problem.

And where do we dump the stuff in the wintertime? He says, "Well, put it in holding tanks." And I kind of smile on that because that's not practical at all, in an area where you have 30 and 40 degrees below zero, you see, and 5 or 6 feet of snow. In fact, there's still 5 or 6 feet of snow up there right now. And so this idea you have is very good in summer, but very impractical in winter.

Senator MUSKIE. How do they deal with that in Michigan?

Mr. FRESHMAN.¹ Well, they just store it. In Michigan they have a great big lagoon.

Mr. CYR. Yes; but what are the temperatures there? What are the below temperatures in Michigan?

Mr. FRESHMAN. Well, it goes substantially below zero in Michigan. I don't know if you've ever been there, but it's very cold. It takes a lot of land.

Mr. CYR. I'm sure that in Michigan their winters are probably 3 months long, where ours are 6.

Mr. FRESHMAN. It gets pretty cold in Michigan.

Senator MUSKIE. Well, Michigan's pretty cold.

Mr. FRESHMAN. Michigan is where they always register the oldest temperature in that—what's that town in Michigan?

Senator MUSKIE. Well, they don't go up to Madawaska. It's too small to send the temperature gages up there. [Laughter.]

Mr. CYR. That's right.

Senator MUSKIE. I'm curious. Why do you pay the highest county tax?

Mr. CYR. Because, I believe, of Fraser, and that's a point that nobody knows or even most of Aroostook towns don't know this. And I always like to point this out because every chance I get, when somebody's listening, I always put out that point. We pay the highest county tax, Senator, because of the Fraser Paper, Ltd.

The complex is very valuable and they rate this as part of our town. So we pay about \$110,000 a year to the county government.

Senator MUSKIE. How much of that does Fraser pay?

Mr. CYR. About 66 percent, but we get back in services, I feel about \$10,000 worth, which is not correct.

Senator MUSKIE. Well, I hope that the window is open so that the legislature in Augusta can hear what you say.

Mr. CYR. I hope so. There is already talk about abolishing the county government and maybe it's time.

Senator MUSKIE. Well, thank you very much, Louis. I think I'll turn to the next witness and we'll come back, probably, for other questions.

Before I do, I'd like to acknowledge that Mr. Leon Warren has driven down today from Jackman. He's not on the list of witnesses, but you submitted a statement for the record and we're most appreciative of that. (See p. 38.)

Mr. WARREN. Thank you, Senator.

¹ National Commission on Water Quality staff member.

Senator MUSKIE. Mr. Eldege J. Parent, chairman of the board of the sewer district, Wells, Maine—we're at the other end of the State, now.

STATEMENT OF ELDEGE J. PARENT, CHAIRMAN, WELLS SEWER DISTRICT

Mr. PARENT. Thank you, Senator. Our town is mostly recreational, as you know, also the shell-fish industry.

In 1968 our clam flats were closed by the Sea & Shore Fisheries and shortly afterwards we got a directive from Mr. Gormley of the DEP, pertaining to cleaning up the clam flats and also the marshes. And, at the annual town meeting of 1969, a sewer study committee was elected and the committee interviewed four engineering firms and picked Hayden, Harding & Buchanan of Boston to look into the most economical and feasible aspect of sewage waste collection and also a treatment plant. After the study, all the things were turned over to Federal and State agencies. They all agreed to our plan.

Preliminary plans and specs were drawn up and presented to the DEP and the citizens of Wells at a public hearing, and no objections were raised to the plan. Maps were also displayed and everybody approved the site. We had two sites—site 1, and an alternate, 2, and nobody raised any objections to site 1, so a special town meeting was held at the annual town meeting—no, a special town meeting was held in November 1970, and a sanitary district was formed. Also maps were displayed again and nobody raised any objections. The citizens of Wells voted to proceed with the construction of the sewage collection and treatment plant.

A certificate of organization was presented to the board on December 2, establishing the Wells Sanitary District under title 38, section 1105, statutes of the State of Maine. A letter dated March 17, 1971, was received and signed by Mr. Peterson of the EPA, for Federal approval for Federal funding. All agencies at this time had agreed on the project, including the Department of Sea and Shore Fisheries and Wild Life, et cetera.

On June 8, 1971, the trustees and officials met with the banks of the area and on the strength of the approval from these different agencies, and we presented the banks with everything and asked them for a schedule, we discussed interest, repayment schedules, and also refinancing. On the strength of all of these approvals, Sanford Trust loaned us \$400,000 to start with the planning.

The board of trustees had all of the approvals and was thinking the redtape was all over.

Senator MUSKIE. This was 1971?

Mr. PARENT. This was 1971, in June. And the State planning agency gave us \$130,000 of funds for a planning grant to help us get started. Afterwards objections were made to the DEP by Mr. Brad Sterl, coordinator of the Coastal Wetlands, or Sea and Shore Fisheries, objecting to site 1. The trustees had to drop site 1 location and pick up site 2 and had the plans all revised for a treatment plant on site 2. And also Mr. Sterl had made certain specifications. The effluent from the plant going into Stevens Brook was changing saltwater marshes into freshwater marshes. Well, to this date we have no data confirming such.

After several meetings with the Southern Maine Regional and a few other agencies, the board of trustees agreed to go to an ocean outfall, which added another cost of about \$1 million. Due to various postponements, frustrations, et cetera, delays have soared the cost of the original project from approximately \$5,200,000 to \$13 million. Originally, start of construction had been targeted for the fall of 1972, so you can see how many delays we have had.

Now, as you know, we have quite a shellfish industry, or did have. The financial impact of the shellfish industry, clamming, et cetera, would bring revenues to the town of approximately anywhere from \$250,000 to a half million. And, also, issuing of licenses would be quite a revenue for the town and also permits for the State. Last year the town issued clamming licenses, we issued 328, so you see there were quite a few. Of course, they are not all commercial, some families might come down there for 2 weeks and want to go dig a mess of clams; you know that, yourself. So, there it went again.

So, as we stand now, we're almost ready to go to construction and the only hitch right now that I can see, we started with a tertiary plant, and when we decided to go to an ocean outfall, some of the members of the State agency wanted us to change to a secondary treatment plant. But being recreational and with beaches on both sides of us—we have good swimming beaches, and about the best on the east coast, which you know, Senator—

Senator MUSKIE. Every morning, 6:30 a.m.

Mr. PARENT. That's right. You're right across the bay. We can't see having a secondary plant, because I don't think the people at Wells and Moody Beach, nor the fishermen, nor the lobstermen, would stand for it. So we're asking to keep our tertiary plant with the ocean outfall.

Senator MUSKIE. What is the difference in cost?

Mr. PARENT. About \$80,000; isn't it, Bill?

Mr. PURINGTON. Well, altogether it is \$160,000. You could eliminate those sand filters. The sand filters aren't really required. What you're trying to do is kill the bacteria. Sand filters don't do anything to bacteria. They polish the effluent, clean up the BOD and the suspended solids. It really isn't required to dump it into the ocean. So you are actually—you're wasting \$160,000. You could use some of it in the community.

Mr. PARENT. Well, that's the only argument we have now, but—

Senator MUSKIE. I may have a conflict of interest here!

Mr. PARENT. What's that?

Senator MUSKIE. I may have a conflict of interest here! [Laughter.] How much—What's the size of the population to be served?

Mr. PARENT. Well, the summer population—I mean, the winter population is about 7,500. Of course it balloons in the summertime to 40,000.

Senator MUSKIE. Now, is all of that 40,000 a sewer population? I mean, are they all—

Mr. PARENT. All, probably, but about 2,000 up in the back country west of Route 1.

Senator MUSKIE. So all the summer cottages are on the sewer?

Mr. PARENT. Yes. And we have a very bad situation on the beach because of the low water table and the ground is saturated from the effluent of septic tanks and water.

Senator MUSKIE. Is the funding available for your plant?

Mr. PARENT. Yes.

Senator MUSKIE. It's been approved?

Mr. PARENT. It's been all approved.

Mr. PURINGTON. Funding for the interceptors and the treatment plant. They have to build a whole new collection system.

Mr. PARENT. Yes.

Mr. PURINGTON. There aren't any funds from EPA or DEP for the collection system.

Senator MUSKIE. A whole new collection system?

Mr. PARENT. Right. We have nothing.

Senator MUSKIE. How much is that?

Mr. PURINGTON. \$5 million.

Mr. PARENT. Five, well, the whole—yes. About 5 million.

Senator MUSKIE. And the town is funding that?

Mr. PARENT. Yes.

Senator MUSKIE. Is Wells the only town involved?

Mr. PARENT. That's right.

Senator MUSKIE. The district just covers Wells?

Mr. PARENT. That's right. And we're really up against it because, with all the delays and everything, we started with a user charge of about \$52 and now it's up to \$130.

Senator MUSKIE. \$130 for every year-round citizen?

Mr. PARENT. Approximately.

Senator MUSKIE. Well, how many homes are involved in that? How many units?

Mr. PARENT. Let's see, residential would be 2,128, and commercial 193, a total of 2,321 units.

Senator MUSKIE. That would include summer?

Mr. PARENT. Yes.

Senator MUSKIE. And will the summer residents pay the same user charge as the year-round residents?

Mr. PARENT. Yes, they would have to because the service is available, just the same as the water district.

Senator MUSKIE. Yes. Well, I just wanted to get the town's share of the treatment plant cost?

Mr. PARENT. The town's share of the treatment plant will be about \$500,000.

Senator MUSKIE. So the cost to the town in all, is \$5½ million?

Mr. PARENT. Just about.

Senator MUSKIE. Have the citizens accepted this?

Mr. PARENT. What's that?

Senator MUSKIE. The citizens accepted this?

Mr. PARENT. Well, it hasn't gone through public hearing yet for the whole thing.

Senator MUSKIE. Oh, I see. That still has to be done?

Mr. PARENT. All that has been through public hearing now has been on the wetlands permit, ocean outfall permit, and the hearing we should have pretty soon is on the treatment plant.

Mr. PURINGTON. It has got to be advertised for a 30-day period.

Mr. PARENT. Yes.

Mr. PURINGTON. It could be, when the outfall is located, over here. They have got to know where the outfall is.

Mr. PARENT. We know where the outfall is now. We've had the meeting on that.

Senator MUSKIE. Well, I appreciate that detail. Let's go on to still another situation: Mr. Solomon Gay, superintendent of the Paris Utility District in Paris, and accompanied by Paul Finnegan, plant manager of the A. C. Lawrence Tanning Co.

STATEMENT OF SOLOMAN GAY, SUPERINTENDENT, PARIS UTILITY DISTRICT

Mr. GAY. Thank you, Senator. What I am going to try to do is just explain, as near as I can, how the industry and the district arrived at the proportionate costs in construction and also in operation.

Senator MUSKIE. As we all know this is a situation in which the tannery and the town have gone into a joint venture.

Mr. GAY. That is right. I was just going to say, we were asked to clean up pollution as much as possible so at that time the industry, which is a tannery—we do have a cannery there, but they are small, compared with the tannery. The tannery and the district got together, made quite a thorough study of whether it would be better for the industry to go on their own and the district on their own, or whether to make a joint plan. After studying it out, in order to find, for sure, which was the best way, through some EPA money, the tannery did set up a pilot plant, a test plant, on a real small scale. And in order to do that, they had to have the domestic waste, the town sewage, to help in treating the tannery waste.

The tannery has two different types of waste—one has a high pH and one has a low pH. But, after doing this, the way they got their domestic waste, as you know, probably, Norway and Paris are two towns right close together, and they had a system all in operation, so they hired a tank truck, or one of those trucks that they pump out septic tanks with—they hired one of those to haul, if I remember right, there was three loads a day of raw sewage from the town of Norway brought over and used in treatment of this tannery waste.

Well, of course they took a lot of tests and studies. They ran this plant for 6 months, I believe. So these tests, and the information that they found, was all sent in to the EPA and, from different things that I have heard in the past, I guess they have treated tannery wastes for some time but it hasn't been satisfactory. So by this pilot plant and tests, after the EPA received the information that they got, they approved it.

So, after they approved it, then the district hired Whitman & Howard as engineers and the law firm of Berstein, Shur, Sawyer & Nelson, in Portland, to work up an agreement between the district and the industry, which they did do. They had to work up several because—or at least three or four, because apparently the first two or three that they did, the wording wasn't just right. But they finally came up with an agreement that both the industry and the district agreed upon. A similar agreement was made for A. L. Stewart, which is a cannery.

Now, after this was signed by both parties, then we started construction, and what this turned out to be—the basis on which this was figured, was on flow and biochemical oxygen demand and suspended solids, from both parties. And roughly speaking, I haven't

gotten any exact figures, but roughly speaking, the tannery will be paying approximately 75 percent of part of the construction of the plant and also on the operation costs. The cannery, I believe, is only about 5 percent.

Now, to go along with all that, I might say that we had—when we started out, we had actually three different contracts and it's what we call one, two and three. Number 1 was on the treatment plant alone; No. 2 was on the interceptor lines, picking up, because we had three outfalls from the old system that we had, going into the river and we picked those up; and No. 3 was new laterals, streets, and the pumping station.

But just to give you an idea, the plant alone was bid at \$4,514,480. The three contracts, together—it so happened that the same contractor got all three bids, three contracts—the total overall bid on all three was \$5,775,272.50. I might add, along with this, that of course we could only go so far; you always have to have a stopping point. And on these laterals you come out on a street and you stop here, and the next house says, "why can't we have it?" Well, we had so much controversy over this that now we have already got specs out, which our bids will be opened up next Monday, to extend these laterals out farther in the town which, the job itself, will run just under a million dollars.

I've heard FHA funds here mentioned. In order to do this, I don't think we would have done it, if it hadn't been that we did apply to FHA for grant money, so we got approximately 50 percent grant money to do this job, this is what we call No. 4 contract.

Senator MUSKIE. From FHA?

Mr. GAY. From FHA. We just got that—I don't remember the exact date, but somewhere around a month ago when we received approval of it. So, with this contract four, when we get this completed, we think that our user rate will be approximately \$112 a year, per unit. I think that's about all I can say unless there's—

Senator MUSKIE. Do you know what the tannery and the cannery pay for user charges? You said about 75 percent.

Mr. GAY. I can't—

Senator MUSKIE. Well, maybe, Mr. Finnegan can—

Mr. FINNEGAN. We have agreed that we would pick up something like 81 percent of the operating costs of the sewerage treatment plant and this, I guess, will be our user charge. Will it?

Mr. GAY. I feel that that's the way it will be. Yes.

Senator MUSKIE. Well, what does that amount to?

Mr. FINNEGAN. Roughly, I think—we have rough estimates now since the plant won't be in operation until June 15, hopefully that's our target date. At that time we have rough figures right now it will be about \$184,000 a year, total cost. Our contribution will be up around \$138,000.

Senator MUSKIE. Does that include the pay-back on the investment?

Mr. FINNEGAN. No; this is just operating cost.

Senator MUSKIE. Operating cost.

Mr. FINNEGAN. Our involvement in this thing takes—

Senator MUSKIE. Why don't you go ahead and make your presentation?

STATEMENT OF PAUL FINNEGAN, PLANT MANAGER, A. C. LAWRENCE TANNERY, PARIS, MAINE

Mr. FINNEGAN. All right. I guess I'll probably go over some of the things that Solly already has gone over.

About 20 years ago, A. C. Lawrence Leather Co. replaced an existing tannery with a completely new facility which opened for business in November of 1955.

Senator MUSKIE. I was there.

Mr. FINNEGAN. Yes. Not long after that, the State legislature began to act in the direction of upgrading and providing cleaner water in all State streams. The first action was the classification of rivers by segments. And in the early 1960's, it became very clear that waste water treatment would have to be provided for all discharge sources of contamination. The town of South Paris was discharging all waste water without treatment, and our technical people recognized that the tannery waste water would respond to treatment better if the two waste streams were combined.

In order to provide guidance and assurance that a combined treatment system would properly respond to treatment when completed, a Boston consulting firm was asked to design and build a pilot plant. This was accomplished with the help of a research and development grant, with which I am sure you are familiar, through the Federal Water Pollution Control Administration. This resulted in a report document which has received wide circulation throughout our particular industry, the tanning industry.

Upon completion of the pilot plant work, designs and specifications—

Senator MUSKIE. I would gather that that report, now, ought to be useful throughout the country in dealing with this line of work.

Mr. FINNEGAN. It has. It has been distributed to other tanneries, in particular. Yes.

Upon completion of the pilot plant work, designs and specifications were prepared for a full size treatment plant which would function for the town, the tannery, and the cannery. Construction began in late 1973 with the assurance of substantial State and Federal funding assistance.

Today this plant, as I say, is—we expect it to go on stream on June 15 of this year, 1975. This is a secondary treatment facility, which will receive the raw tannery waste from the A. C. Lawrence Leather Co. next spring—or at this time, in June, actually.

Our financial commitment to the Federal and State aide project is estimated to be \$1,758,000 of a total estimated cost of \$6,800,000. We have also agreed to—since this is a little different than the normal municipal-industry treatment plant, in that we will supply, if you want to use that word, about 75 percent of the effluent going through the treatment plant. Consequently our share is higher. We have also agreed to supply the funds to operate the plant on the same basis of introducing the effluent into the plant, and, as I said earlier, this cost is estimated, right now, at \$184,000, of which we pay \$138,000. We will also supply to the plant our flue gas which is necessary in the flocculation and treatment of the waste.

Initially, we agreed to quitclaim a certain parcel of land which we have, in order to dump the solid waste generated by the treatment plant. However, with the change in regulations, this land is no longer acceptable for this purpose, so the utility district had to go out and purchase another plot of land where we'll dump the solid waste.

We're assuming, of course, we say June 15, but pilot plant production sometimes requires some maneuvering so perhaps the effectiveness of the thing won't be 100 percent, or 98 percent, until we've worked out some of the problems, you know, when the plant goes on stream. That's about all I have to say.

Senator MUSKIE. I have one question I'd like clarification on. The treatment plant existed before this, did it?

Mr. FINNEGAN. No; it did not. Norway—the town of Norway, had a sewage treatment facility which is—

Mr. GAY. A lagoon system.

Senator MUSKIE. Oh, I see.

Mr. FINNEGAN. Quite primitive and, eventually, I'm sure that they'll be asking to join in the Paris Utility District's treatment plant.

Senator MUSKIE. They are not now part of it?

Mr. FINNEGAN. No; they are not. They are downstream from it.

Senator MUSKIE. Is there capacity built into this that would take care of all this?

Mr. FINNEGAN. Yes.

Mr. GAY. Oh, yes.

Mr. FINNEGAN. We can absorb them quite easily, the Paris Utility District can. We found some of the problems in connection with this from its infancy to its actual accomplishment. Our initial involvement we estimated to be about \$375,000 but, due to the change in requirements and inflation, our involvement now has gone from \$375,000 up to \$1,750,000. We're not sure, either at this time that—the present requirements for clean water are strictly temporary; I mean, these could change again in 1977 or 1978, and if they do, why, perhaps this will require some financial investment on our part inside our plant or in addition to the sewage treatment plant prior to our effluents going into the treatment plant, but we won't know that yet.

Senator MUSKIE. Have you been able to make any process changes that would reduce the effluent?

Mr. FINNEGAN. Well, since our direction has been toward this joint venture, we have not. There are some things that we can do. One of the things that we do introduce into the stream is the chromium which is poison, literally, to most of the enzyme action and also the fish, in the stream. Right now, I think the State of Maine requires, or allows, a license which permits you to dump one part per million chromium into the stream. I have a rather vague uneasiness that this will be decreased even further. If that happens, then we will have to make some definite arrangements either to change process—we're doing some investigation anyway as an economic thing, but it will also require a process change or possibly the creation of holding tanks. Right now, we currently exhaust all day long out of the plant there, but we may have to have holding tanks and time our exhaust. I don't know.

Senator MUSKIE. Well, of course, the fact is that, in a sense, you're being a guinea pig for tanneries across the country.

Mr. FINNEGAN. Actually, there are others involved, Senator. Hartland is involved in their own treatment plant. S.B. Fort, where we visited also has a Government grant. So we're not unique in that we are one of perhaps four or five who are—

Senator MUSKIE. But all of you are in sort of an experimental phase?

Mr. FINNEGAN. Yes; that's so.

Senator MUSKIE. And converting from a pilot project into a full-scale commercial project.

Mr. FINNEGAN. Actually S.B. Fort has already done this, however, the quality of the water is not, I don't think, suitable yet. So they are going to have to do some work, even though they are on a production level.

Senator MUSKIE. Let me ask you this: Are you going to be able to absorb all this, within the economics of your operation?

Mr. FINNEGAN. Certainly the increased cost we are already starting to build into the cost of our product, and it hurts. This is a product in which a penny a foot is quite important, and this is going to be, perhaps, more than a penny a foot.

So a result of this, we have to circumvent this by making production changes where we can save in other areas in order to absorb this cost and still remain competitive.

Senator MUSKIE. You carry the lion's share of this plant. Why is it economical for you to do it this way, rather than have your own separate system? I'm curious because in Madawaska it was not.

Mr. FINNEGAN. I'll have to pass on that because I wasn't in on the original studies and meetings and discussions at that time.

Mr. GAY. I think I can answer part of that.

Senator MUSKIE. Yes?

Mr. GAY. Not wholly, but one of the factors is that by using the domestic waste in the treatment does help treating chemical—

Senator MUSKIE. From a chemical standpoint?

Mr. GAY. Right. That way, I mean, if it wasn't for the domestic waste, then they would have to be spending money for other chemicals.

Senator MUSKIE. Yes.

Mr. CYR. I have a comment, too, on that, Senator. The main reason Fraser did not go with Madawaska was the fact that at that time, and I don't know how it is now, but at that time, whatever money they would have contributed toward the cost of financing the plant, the Federal money that would be allocated to the town would be—you know, we would be reimbursed 85 percent. And whatever share they put in, they would have had to pay back. So this was not attractive to them at all.

Mr. GAY. Paris does not. Paris is under the old law.

Senator MUSKIE. Oh, I see. I see. You would have been under the new law.

Mr. FINNEGAN. I think so.

Senator MUSKIE. I know. That's true. Under the old law, there was no payback required.

Mr. CYR. That's the main reason Fraser did not go.

Senator MUSKIE. Well, we wrote that in the old law in order to try to stimulate this kind of joint venture, but then when we began to see it escalating, we could see enormous costs to the country and then we wrote the payback provision in. So the only advantage,

I guess, is having the Federal Government put up the capital rather than going out into the market and maybe some advantage in interest costs. So it is less of a bargain. No question. But I was interested in the fact that the chemistry of the plant may be—

Mr. FINNEGAN. We can describe a few of the things. We didn't want to bore you, but perhaps if I read a few lines—

Senator MUSKIE. Yes, do.

Mr. FINNEGAN. The design of this facility, which incorporates data from a pilot plant study, is based on a modified secondary activated sludge treatment process.

Because of the quality of the specific industrial wastes being treated, this modified process will employ some unconventional unit operations, including the use of rotary screens, equalization tanks, carbonation tanks, upflow clarifiers, and special pH monitoring and control equipment to facilitate the treatment of complex industrial wastes.

Three separate pipelines will convey flows to the treatment facility. One pipeline will transport combined sewage and stormflows from the town of Paris and wastes from the A. L. Stewart & Sons cannery.

The other two pipelines will carry beamhouse wastes and tanhouse wastes from the A. C. Lawrence Leather Co. These two wastes, which drastically differ in composition and pH level, will be kept separate to maintain pH control.

Initial treatment will occur within the headworks where the sewage-storm-cannery flow will pass through a mechanical bar rack, aerated grit chamber, and flow measuring devices. The tanhouse waste, which is relatively low in suspended solids, will bypass pretreatment and be mixed with the pretreated beamhouse flow in the equalization tanks.

Primary clarification will follow equalization of the controlled-combined tannery flows, where solids—essentially chromium hydroxide formed by the acid-base reaction—will be removed.

In the carbonation tank, flue gas will be distributed in the wastewater to remove the high calcium content of the beamhouse waste. An upflow clarifier will collect sludge and employ the sludge-blanket-filtration-settling technique, which is required by the unstable settling characteristics of this sludge floc.

The oxygen requirements of the wastes will be about three times the biochemical oxygen demand if sulfides present in the tannery wastes are to be oxidized to an unobjectionable sulfate form.

Senator MUSKIE. I find it curious that this plant cost \$4½ million—

Mr. GAY. For the—for the three—

Senator MUSKIE. [continuing] Not including the laterals and the interceptors. It is \$4½ million for the—

Mr. GAY. I believe it's almost that. Yes; the bid was \$4,514,480.

Senator MUSKIE. And it sounds like a very complex process. And the Wells plant, which has no industry, industrial effluent, was what, \$8 million?

Mr. PARENT. The treatment plant was well over \$2 million.

Senator MUSKIE. Oh, the treatment was \$2 million. All right. I got that other figure in my mind, and I couldn't figure it.

Mr. PARENT. And \$3 million including the outfall.

Senator MUSKIE. Right. So it's your collection system that is expensive—

Mr. PARENT. Right.

Senator MUSKIE. [continuing] In your case. All right. The two together go up to \$8 million.

Mr. FRESHMAN. Is that right, Bill?

Mr. ADAMS. Yes.

Mr. FRESHMAN. That \$8 million includes the collection system.

Mr. ADAMS. Yes.

Mr. PURINGTON. No. It includes the interceptor system and the treatment plant. It does not include any collection system. It includes the treatment plant and the interceptor system only. It's long lines in Wells. It's spread out all over the place. That's why it cost so much.

Senator MUSKIE. What is the plant, itself? Two million?

Mr. FRESHMAN. Two million.

Senator MUSKIE. Then the plant, itself, is more than half of it? I appreciate that addition. I'm impressed by the complexity of this problem that you are now trying to tackle in that plant. Was that unusual? I'll ask—

Mr. ADAMS. It was, at the time, Senator. It must be one of the first on record.

Mr. GAY. They tell us it's the only plant in the United States.

Senator MUSKIE. You are all going to have your fingers crossed to see if this works, I would say! [Laughter.]

Mr. PURINGTON. I was hoping you wouldn't say that! [Laughter.]

Senator MUSKIE. Well, no. I compliment you all on making this effort and trying it. If it doesn't work, then you have to do something else, but that's quite a complicated process.

Mr. JACOBS. Senator, I might point out that the chemical compatibility of sewage and the waste from the Guilford Industries plant is a similar—similar situation so there was further incentive for them to join together.

Senator MUSKIE. My staff says that money for collection sewers was once available under the Farmer's Home program, under HUD and under economic development programs and they were all stopped by the impoundments President Nixon invoked several years ago. I guess that's been the problem.

Mr. CYR. Is there any chance they might come back?

Senator MUSKIE. Well, I guess that they are now covered by the community development money and it would be necessary to expand that program. That's the trouble with these consolidated grant programs. Then the community decides its priorities and whether or not your community wants to use your community development money for this purpose is the question. I would guess that there may be higher priorities to begin with and then they become the dominant factor in the use of that money.

Mr. ADAMS. Senator?

Senator MUSKIE. Yes.

Mr. ADAMS. Because of the fact that they are small towns, as pointed out by Mr. Cyr, the FHA program was most beneficial to the State of Maine. Most of our communities, as pointed out by Mr. Cyr, would qualify on population requirements for that program.

Senator MUSKIE. Is that still available?

Mr. ADAMS. There is some money, yes.

Senator MUSKIE. Should we sic Charlie Jacobs onto that program?

Mr. ADAMS. I believe it's too late for this year. [Laughter.]

Mr. FRESHMAN. They had \$1½ million for Maine so far, the FHA. It was money, as I get it, that was released by some Supreme Court decision.

Senator MUSKIE. Thank God for the Supreme Court.

Mr. ADAMS. That won't go very far.

Mr. FRESHMAN. No, that won't go very far.

Senator MUSKIE. Well, let's turn to our next witness, Mr. Edwin Mitchell of the department of marine resources. He's going to tell us the story of Thomaston, Maine, which is sort of a plus, a positive note.

STATEMENT OF EDWIN M. MITCHELL, MAINE DEPARTMENT OF MARINE RESOURCES

Mr. MITCHELL. Thank you, Senator. Indeed it is a positive note. The problems here, I understand, are of an economic nature and of funding. And one of the nice economic results of sewage treatment facilities in this locality is looking at it from the resources point of view. And the St. George River, in Thomaston, has proven out to be just one of these niceties. We did a cooperative study, the department of marine resources, with the Food and Drug Administration in 1967, in Thomaston, after the sewage treatment plant was in operation. And through a great deal of hydrographic, sophisticated, comprehensive studies in the river, we were able to reopen shellfish areas down there that had been closed for a long time, as you well know, and in fact, probably, in that particular river, nearly doubled the size of the available resources from what it was prior to the sewage treatment plant.

We have established a cooperative program with the sewage treatment facility in Thomaston whereby if there are malfunctions in the plant, they will immediately notify us and we can introduce a temporary closure in the area, and we've also learned how long it takes after a period of malfunction before the area—to clean up, usually 48 hours in the case of the Thomaston area and St. George and reopen it again. And this has worked beautifully.

In fact, to say something for the plant—initially, after the plant went into operation, they had several malfunctions which you'd expect in any piece of machinery. Like your automobile, it tends to fail now and then. And so we did have some initial problems with the operation of the plant but after it got underway, and since 1967 we have only had two occasions when we had to close the river, and those occasions were for, I think, 2 and 4 days, respectively.

One of the problems, initially, was with the State prison. They were putting some waste into the treatment plant that we couldn't handle, and it plugged up the pumps and what have you. But they resolved that. They put in some screening devices, and what have you, in the prison.

Getting back to your economic problems, your particular economic situations regarding waste treatment, that I notice in my work along the coast, that seem to be cropping up everywhere, is individual waste treatment problems, where towns—people living in outlying areas on the coast, particularly, on tidewaters, are finding it very difficult. Some people can't afford to pay \$5,000 or whatever it might

cost to put in a treatment facility and maintain it. And their first argument is, "Well, if I lived in the town, then I would be paying \$20 or \$30 a year for sewage treatment. But I'm not, and so I've got to pay for my own, and there's no Federal money," or appears to be they believe that there is no Federal money and I'm not sure whether there is or not, to support their own treatment. But many of them have gotten together in clusters, in the areas where there are several summer homes or year-round homes in an area and created their own association and their own sewer district, including one package plant to take care of this.

The gentleman from Wells—they have their specific problems down there with the ocean outfall and I might point out that, here again, is another economic situation. Which is more valuable—the resources, weighed against the cost of an ocean outfall, and this is a hard argument because you may find that there is an indication that in the Thomaston/St. George area it was valid, that it was worth the money, in addition to the laws and the esthetic value, in changing the water quality of the river. It was also worth money in terms of the employment and resources maintained.

In Wells you are involved in another specific environmental problem there. Had they not gone to an ocean outfall, it is questionable whether or not they would still be able to use the resource. This has happened in other States and it's been an embarrassment to a lot of people. They have put in concentrated sources of pollution that were distributed up and down an estuary into one large outfall and, for public health purposes, you'd still have to have some kind of closed area as far as the shellfish or other resources around these outfalls, just as an assurance that the plant is functioning at its maximum ability, and when they did this, they concentrated all these sources into one large one at the head of an estuary, the hydrographic situations were such that they made the situation, in effect, worse than it was before, as far as reliability. So, lots of times, a lot of thought and study has to be put into these things to determine where the outfall goes. And it may result in a very costly change, such as the ocean outfall at Wells. Then the question arises, is it worth the additional \$1 million for the ocean outfall to make available our resources?

That's about all—I didn't have any prepared statement on that, and if anybody has any questions, I'd be happy to try and answer them.

SENATOR MUSKIE. Prepared statements are unnecessary.

MR. PARENT. A comment on the ocean outfall: We were forced to put in the ocean outfall. Dennis will verify that.

MR. PURINGTON. What happened, Stevens Brook doesn't have the flushing capacity to put in 1½ million gallons a day sewage—

MR. MITCHELL. Right.

MR. PARENT. Right.

MR. PURINGTON [continuing]. Which the system was designed for. We did some flushing studies down there which indicated it stayed in there something like 14 days.

MR. MITCHELL. Right.

MR. PARENT. Right.

MR. PURINGTON. It ended up, the only alternative we had, if they were going to have a discharge, they would have to go to the ocean.

Mr. MITCHELL. I used that as an example. That is the situation. It is very costly.

Mr. PARENT. I'm still saying that would change that area from a saltwater marsh to a freshwater marsh.

Mr. MITCHELL. And you would actually be putting more fresh water in there than the salt water that was already there.

Mr. FRESHMAN. Which would also kill the shellfish, wouldn't it?

Mr. MITCHELL. Well, I'm not—To kill it is another thing. It would kill it as far as being an available resource and a source of economic revenue for the town; yes, indeed, it would.

Senator MUSKIE. Well, now, the Thomaston plant was built in 1967?

Mr. MITCHELL. No; prior to 1967.

Senator MUSKIE. Prior to 1967.

Mr. MITCHELL. 1967 was the year that we did the Food and Drug Administration, then the Public Health Service. And, incidentally, I'm curious as to whether or not funds are still available for these type of studies. We have called on the Public Health Service, Food and Drug Administration in years past to do these cooperative studies because they have the facilities—that is, the equipment and techniques available for them, that the State does not have. And they have done these, are more than willing to do these cooperative studies and come up with the answers. And since shellfish is this Department's particular interest, in order to maintain interstate shipment of shellfish, then we have to meet the Food and Drug Administration's regulations, and since they are the ones that are putting regulations on us, they are more than willing to cooperate with us with the State, that is, in helping us evaluate some of these areas that have sewerage treatment plants.

Senator MUSKIE. One of the first gentlemen to visit me when I took office as Governor—I won't say how long ago, was the regional director of HEW in Boston, to go over the program, the Public Health Service program on clam flats along the coast. It was a constant headache.

Well, now, since that was built prior to 1967, does Thomaston have a user charge?

Mr. MITCHELL. Now, there again, you are getting into economics of the situation and I can't answer that. I'm sure they do, but I don't live in Thomaston, I live on Southport Island, and I don't know whether they have a user charge, or not. I'm sure they do.

Mr. PURINGTON. Senator, I think that they do it on a basis of taxation mostly, down there in Thomaston. There may be some sort of user tax involved but it's not set up like what we have today.

Mr. MITCHELL. In Boothbay Harbor the user charge is based on the water—it is tied in with the water district. And depending on how much water you use, that's how much—

Senator MUSKIE. That's true in Waterville, too; isn't it?

Mr. PURINGTON. Boothbay has a sanitary district, but Thomaston isn't a district, it is a municipality, and I think they use mostly taxation.

Senator MUSKIE. Well, thank you very much. At least we see something about the economic benefits of these programs. They're not all cost.

Well, now we come to Gardiner: Paul Herman, city manager, and Milton Oakley, plant manager of Yorktowne Paper.

STATEMENTS OF PAUL HERMAN, CITY MANAGER, GARDINER,
MAINE, AND MILTON OAKLEY, PLANT MANAGER, YORKTOWNE
PAPER MILL

Mr. HERMAN. Well, do you want me to go first? Senator, in 1967, we completed plans at the cost of \$67,000 with the benefit of the 701 program for a primary treatment plant, ready to go to bid. After some agitation on the part of the DEP, or the EIC at the time, we had two paper industries, one, the S. D. Warren, which has been destroyed; and the Yorktowne Paper, which is still in operation—they are represented here today—it was decided it would be best if they came into the system. So those plans were set aside and, at a cost to the city of \$75,000, and plans were developed for a secondary treatment plant, the plant to be located in the same place down here, known as the Municipal Wharf. And in the process of one thing and another, we were not quite satisfied with the plans as meeting all the criteria. The upshot of it is that a third set of plans was completely drawn up on more of a regional basis, and that was done in 1971-72. And believe me, we have met every deadline, and the only line we get back is that you're dead, but I'll illustrate that point.

We have gotten together with the towns of Farmingdale and Randolph and for the purpose of this contract, it is a municipal contract allowed in the State of Maine to gather together and to meet some of these problems.

The purpose of this contract is to provide an agreement whereby Farmingdale and Randolph will participate with Gardiner in the cost of constructing a water pollution control facility, along with certain common sewerage collection facilities for use for the collection and transmission of sewerage from Gardiner, Farmingdale, and Randolph, the water pollution control facility constructed in Gardiner. In addition, Gardiner, Farmingdale, and Randolph shall construct independent sewerage collection systems to connect with the common facilities above. The resulting water pollution control system shall collect and treat sewerage generated in Gardiner, Farmingdale, and Randolph including some portions of Pittston and South Gardiner.

That was a first for us, and we got that, and that was consummated in 1971 and we went on to conclude the final construction plans which met the deadline of October 1, of 1972, and those are on file.

To give you some idea, people have given you costs, and these figures here are old 1971 figures, so you'll have to apply a rather large correction factor. This total cost was \$4,532,000, and to support that, it was divided between Gardiner, Farmingdale, and Randolph: \$3,398,000 for Gardiner; Farmingdale, \$556,000 and \$578,000 for Randolph. And, at the time, I reported to the council, a recommendation for sewer rates to support this business which will make a—I might say that we have a contractual arrangement with Yorktowne which Mr. Oakley will go into later. But basically, we were looking, at that time, at \$75 a year, or \$15 per quarter, \$60 for each residential unit, and \$10 for each additional unit. That wasn't adopted, but that gave me some idea of what this was going to cost, because we understand this thing had to be paid by user charges and we worked out the cost at the time. I haven't brought those figures up to date—well, we haven't been faced with that particular problem for reasons that have already been cited.

Our problems in Gardiner are twofold. As stated, we have one main industry and then we have a problem that's quite common to the rest of Maine communities, and it was brought out very acutely at the time we had a real estate development building some very fine homes. And it came to a problem whether he could hook onto the municipal sewer system known locally as the Lincoln Avenue extension or go to independent septic facilities. And we ran aground on I guess perhaps some State laws, as well as—they have State laws that were put on the books to comply with the Federal laws as well, and it got down to the specific point that we were denied the request because the particular outfall we were going to connect with, the flow would increase, perhaps, 80 or 90 percent, and they were allowing 20 percent as a sort of an administrative allowance from the DEP. They were handling it that way and the gentlemen here will verify this thing. But they are faced with the problem of complying with their own laws, interpreting them, and hopefully this legislature will get back to that particular problem.

But that leads us into the very vitals of the city. If we cannot normally add some homes to our city, why, you are going to put Gardiner on the "no-no" list, and this is what I said, the deadlines are met, and even then the only line we get back is, "You're dead," you cut our growth and there is no tax money, in addition to which we have to meet our increased costs, which seems to be a way of life. But also the home building industry, we would like to have that active around here, as well as elsewhere, and that industry is severely handicapped. And I thought this, although legally I can't criticize Mr. Adams and Mr. Purington—I mean, they are wrestling with the law as much as I am, but—

Senator MUSKIE. What is the nature of that problem?

Mr. ADAMS. The problem is, Senator, the State law requires that any new discharge must receive the best practicable treatment, and the Attorney General's office has indicated that the variances, or the grandfather right, of the municipalities do not hold for this type of expansion.

There was a hearing last week in the Legislative Committee and there is no doubt there is going to be a change in that procedure, and the Department is going to be allowed to grant variances and the question of the inequities of the charges and Mr. Jacobs mentioned is one thing that is being discussed, and I think everybody there, including the committee, felt that we've got to change that. We can't stymie development.

Mr. HERMAN. We've been working together on that, but nevertheless these—this is where an industry, now, you say the home building industry is very fundamental, and—but we have had three sets of plans ready to go to bid. The first was \$67,000, which the Federal Government footed most of that bill through the 701 program; the \$75,000 was right out of our tax money, and, hopefully, the last payment will be made next year. And then, at present, now, we are engaged in another \$144,000, we're ready to go to bid possibly, with the exception of the inflow/infiltration study, which I don't know the exact effects of, but that's in process. And we're arranging for an interest-free loan and that is being put through the council next Monday night, and again with the cooperation of the State environmental protection, that's another \$144,000.

We are into our secondary treatment plant. I think that we've got it well located now. We've got it out of the flood zone. We had a few other problems, but we've got it out of the flood zone and we are now taking care of the large part of the city up here, where we're located now and in South Gardiner. The other areas and the outlyings will have to come in at a later date, although the council wrestles with that periodically. But the amount of money involved would be substantial.

So at this time, without further comment I'd like to introduce Mr. Milton Oakley, who will give a statement from Yorktowne.

Senator MUSKIE. Mr. Oakley.

STATEMENT OF MILTON OAKLEY, PLANT MANAGER, YORKTOWNE PAPER MILL

Mr. OAKLEY. Senator Muskie, perhaps you will want to know a little about the company that I represent. Yorktowne Paper Mills of Maine is a manufacturer of paperboard, the main end use of the product being various types of industrial packaging, more of it going into paper tubes and cores than any other single product.

Our operation is similar in principle to other papermills except that our raw material consists exclusively of wastepaper rather than pulp. We consume approximately 80 tons of wastepaper per production day so that to that extent we are contributing to the solution of the solid waste disposal problem. We have been in the business for 30 years and it is gratifying to us to find that recently we are being credited with performing a social service by doing precisely what we have always done.

With 70 employees we are the fifth largest employer in the city of Gardiner. Our annual payroll is approximately \$700,000. We recognize fully that when compared to much of the Nation's businesses, these figures are not large, but we do take pride in the fact that in a community the size of Gardiner and in a local economy that can hardly be described as robust we are a significant and constructive factor. As is true of all business, our primary purpose is to make money and ours has been consistently profitable, but it is important to us that we are providing the means of support for 70 families.

As I understand it from the gentleman from your office who invited me to participate in this meeting, you are interested in our problems and ideas concerning existing requirements for water pollution abatement and I want you to know that we very much appreciate this opportunity to express them to you.

A brief history of the situation as it applies to Yorktowne is in order. In 1967 Yorktowne acquired Gardiner Paper Mills which had been in operation since 1947. We recognized at the time of the acquisition that treatment of our effluent was a necessity and it was also evident that the city of Gardiner would have to treat its domestic sewage. Talks with the city authorities were begun at once based on the idea that the most efficient, least expensive and common sense approach was to design the city's municipal treatment plant to accommodate our effluent. There was immediate agreement that this was the proper approach and neither the city or the company has expressed any doubt in the intervening years that such a cooperative effort was the only practical way to accomplish our common purpose.

Since then the city of Gardiner has gone through a number of stages of planning. To me the cost of this planning has been made excessive by changes in the law that required revisions in already completed plans. This is regrettable but perhaps it was necessary. In any event the city now has approved plans that meet the requirements of existing law. The plans specifically provide for the treatment of effluent from Yorktowne based on established daily flow and the types and amount of pollutants contained in our effluent. I should add that within the past 6 months we have completed the installation of a primary treatment facility that has very substantially reduced the volume of flow and the amount of solids. We have an NPDES permit and are in full compliance with its terms.

So what's the problem? If the city of Gardiner has approved plans for a sewage disposal plant that includes treatment of this company's effluent, if the condition of the company's effluent when it is delivered to the city system meets all of the city's requirements so that it can properly treat that effluent, is there really a problem?

Well, as I'm sure you know, the problem for us lies in the fact that Maine State law requires that we be connected to the city system by October 1976, and Federal law requires that we do so by 1977, whether the system exists or not. We are in the distinctly uncomfortable position of having done all that we can do to comply with the law but until Federal funding is provided to the city we will be in violation of the law. Further, we are aware that if we are legally and technically in violation that we can be ordered to cease all operations. We have found it difficult to believe that under the circumstances the law would be that strictly enforced, but that is the way it reads and we worry about it.

About a year ago we concluded that a capital expenditure running well into six figures was necessary for us to maintain quality and quantity of production. It was extremely difficult for us to make such a commitment when we knew that within 2 years we would be in violation of State law and within 3 years in violation of Federal law and that the price of such violation could be a court order that would put us out of business.

We decided to go ahead with the project and are now in the midst of construction. It was essential to go ahead with it if we were to retain our competitive position and we felt that some how, in some way, we would be able to overcome or circumvent the ultimate penalty. It is profoundly uncomfortable to make an expensive decision in the face of such circumstances. We hope that we did not make a mistake.

The reason that I am so pleased to have had your invitation to participate here today is the opportunity that it gives me to lay the problem before you and ask for your help in its solution. Certainly the best solution is prompt Federal funding so that the city's treatment plant can be built and so that we can tie into it and hence there will be no violation. However, since further delay in funding appears to be inevitable, a relaxation of the law would seem to be a practical interim solution.

The Maine Department of Environmental Protection is sponsoring legislation that will grant that department permission to extend the time limit for private industry as it now does for municipalities.

This is certainly a step in the right direction although there are points in that legislation that we find very objectionable. Without going into the pros and cons of that particular piece of proposed legislation, it is significant that the DEP recognizes the problem and the need for a solution.

We know that our effluent is polluting the stream. We don't like it. In the form of our primary treatment system we have spent a good deal of money in reducing that pollution. We are willing, eager, to further reduce it to an acceptable level by discharging into the municipal system and are fully prepared to pay our share of the capital cost of that system and our share of the operating cost. But the city can't construct it without Federal dollars. To us it seems necessary that the law be changed so that we are not required to perform until the wherewithal is provided to permit us to perform.

You could logically ask whether it is in fact necessary for us to wait for the construction of the municipal plant. Is it feasible for us to construct our own system? We think not. Our engineers tell us that the cost of such a project would so far exceed our share of the cost of a municipal plant that we would not want to consider it.

We have not squarely faced the question as to whether we would be forced to cease operation entirely rather than bear the cost of the construction of our own treatment facility and we feel that it should not be necessary to face it. Rather we would hope that the dollars would be made available as soon as possible and that we, and we assume many others in the same situation, would be permitted to proceed as we have been doing until the dollars are available.

We have no way of knowing how many other businesses there are throughout the country that face the same problem, but we assume that there are a great many. We are not so presumptuous as to ask the Congress of the United States to pass a law for the benefit of a single employer of 70 people, but to ask it for a large number of employers and employees seems eminently reasonable.

In summing up, I would repeat that we are in no way attempting to evade our responsibility to abate pollution. On the contrary we are anxious to do our part. We recognize and are prepared to pay our share of the cost of accomplishing it. Our plea is to be permitted to do it in the most practical and least expensive way possible without the threat of being forced out of business. Thank you.

Senator MUSKIE. I appreciate that presentation, Mr. Oakley. I might make some observations at this point in order to respond.

First of all, when we enacted the 1972 act, we provided sufficient funding, \$18 billion to catch up with the backlog. At least, that was our objective. Two things have happened since, of course, the impoundment of half that money and inflation, and both of those have enormously distorted the funding of plants as they came off the drawing boards, and second, the deadlines which the law established in conjunction with that funding and we've been aware for sometime, of course, that we faced both problems.

The impoundment led, of course, to the litigation which ultimately reached the Supreme Court, and the Supreme Court finally handed down a decision this year. But while that litigation was pending, the Congress was in a difficult position to do anything to supplement the 1972 act. We didn't know whether the \$9 million which had been

impounded would be made available or if it would be made available, when and how it should be programmed, that's an uncertain question. So, until the Supreme Court acted, we were really in a state of suspended animation, knowing all the time that the deadlines were rapidly approaching and were likely to be slipped, that projects were ailing up on the shelves, creating frustration in every community ps we have witnessed here this morning. And so, at this point, we are faced with these kinds of questions which Mr. Oakley has raised and which others of you have raised, and the Congress hopefully this year will make some decisions. I can't anticipate what they are, but I would expect Congress to be realistic. You may not think of Congress as a realistic body most of the time, but I do think there is an effort to be. I would hope that we can respond to the questions that you have raised, and we have no desire to shut down industry or to repeal it or to repeal civilization, so I hope we can do it.

Now, it is interesting that in the State legislature there is some legislation to deal with this question. I think we ought to include in the record a staff document from DEP which is described as An Informational Report on Proposed Variances in Municipal Pollution Abatement Time Schedules. [See appendix A, p. 55].

Senator MUSKIE. And then two legislative documents—one, which I gather, represents your legislation, L.D. 702—

Mr. ADAMS. Yes, sir.

Senator MUSKIE [continuing]. And L.D. 951, which has been introduced by Mr. Hall. (See appendix A, pp. 66 and 69.) Both of those, of course, are addressed to the question that you have raised here, Mr. Oakley. And my own personal judgment is that it was perfectly appropriate for industries and municipalities to consider the possibility of joint ventures and to make commitments and to proceed on that assumption. And if, because of these developments which I have briefly described, they find themselves caught in a squeeze on time and funding, I don't think they ought to be penalized for it. That's my personal view. It doesn't give you an answer to the present problem.

It's interesting that here this morning we have heard that Guilford Industries for the very good reasons which have been described by Mr. Jacobs is doing nothing at the moment about proceeding with the plant. It's paying nothing for reasons that have also I think been well described.

Yorktowne Paper, involving the pretreatment process, of its own construction, primary treatment, are paying nothing toward a plant and are worried about what to do; and A. C. Lawrence, which is now in a system and has already started making full payment, as I understand—

Mr. FINNEGAN. We're on the verge.

Senator MUSKIE. On the verge of it.

Mr. FINNEGAN. Yes.

Senator MUSKIE. And they have the funding and are ready to go ahead. So, three different circumstances. Are you going to be slipping a deadline at all, on this plant? I gather not.

Mr. FINNEGAN. Just the same one that applies to Yorktowne Paper.

Senator MUSKIE. 1976?

Mr. FINNEGAN. 1976. Yes.

Senator MUSKIE. 1976, then. I forgot the National 1977.

Mr. FINNEGAN. No. We will meet it. No. I'm sorry.

Senator MUSKIE. Oh, you will be meeting it?

Mr. FINNEGAN. We will meet it, yes.

Senator MUSKIE. What is the—

Mr. ADAMS. October 1, 1976.

Senator MUSKIE. October 1, 1976. Well, you'll be meeting it.

Mr. FINNEGAN. Yes, we will.

Senator MUSKIE. Now, there is one other development underway that ought to be brought to your attention. The 1972 act created a National Water Quality Commission of which I am a vice chairman, Vice President Rockefeller is chairman. There are 15 members, 5 public and 5 from each House of Congress. And it is the responsibility of that Commission to look down the road 10 or 15 years to give us a more definitive picture of what the problem is and what the difficulties are and what the challenges are in meeting this goal of clean water. And that report should be available by the end of this calendar year, I would think. And that may give us some insights, too, upon which the Congress can build new policy and to which you can respond.

Now, I understand your frustration about changing of requirements. But the set of circumstances we have listened to this morning indicate why sometimes, requirements have to be changed. And I would hope that they will be minimal but you do have to build on developing knowledge and changing circumstances. Sometimes those changes are convenient as required by some municipalities and in other cases they are just a frustration and a nuisance. That happens when you try to write national legislation which applies to so many different kinds of situations.

Well, with those observations, let me ask all of you to think with the perspective of the whole morning's discussion in mind, that you will try to pinpoint the sticking points, the problems, with the legislation that you try to live under, with the problems that have developed, with the problems we are now struggling with, what kind of a critique would you make? You know, I would like to get a frank discussion of that.

Mr. HERMAN. One, you are going to have to extend the deadline. Now, whether you want to do that *carte blanche*—you might want to develop some guidelines on that. That might be, in itself, unfair, but you have an emergency situation. At least, extend the deadlines *x*-times and then I think, probably, from there on, you should work in some guidelines as to what to do and as is cited by Yorktowne, well, you can go, "your license will be renewed but, maybe, certain—such-and-such will be done." Either that or you just have to limit them to continual revision. I'll limit my remarks to say you've just got to extend those deadlines.

Senator MUSKIE. How about using the variance? I think the State legislature would use variances for this purpose.

Mr. HERMAN. Well, then, if it was permissible to get that. I'd have to ask Bill on that. Your variances—Are you allowed to grant variances under the present law? Or under the one that would be amended?

Mr. ADAMS. The amendments that are before the legislature will allow us to grant variances to the industries. We now can to the municipalities.

Mr. HERMAN. I see.

Mr. ADAMS. The proposals will include industries, but that won't solve the special questions.

Senator MUSKIE. No; all you could give would be a 1-year variance under State law, unless the Federal law were changed. That's the point you're making, Bill?

Mr. ADAMS. Yes.

Senator MUSKIE. So that throws the ball back into our court.

Mr. HERMAN. Well, Senator, the thing is to make it so they are given reasonable criteria to grant a variance, and I'm sure that, under the circumstances, the board will listen to all the facts. Now, to give them carte blanche extension, that's the simplest, administratively, but I think they've gone into this extensively, why, perhaps a combination of 1-year or 2-year blanket extension and, then after that, variances may be done under the guise of the various State boards and the EPA, et cetera. But there should be some legal method for them to consider all these factors in granting them.

The fact that it was done, say, in the first place, you didn't anticipate these things, you perhaps wouldn't be gathered today, they'd feel competent to, all right, I can give you a variance up to such-and-such, but you've got to do so-and-so by x years. But you've got to build in some legal flexibility there and then I think the good judgment of the various boards and State governments will take over from there.

Senator MUSKIE. Charlie?

Mr. JACOBS. Senator, I'd also make another point to add to that, that I think we have got to do something that can give industry some assurance that they can come into a town like Guilford or Dexter or Dover without facing a penalty 2 years down the road. Mr. Oakley mentioned that Yorktown took a chance, really. They assumed that the Federal Government would do something. But perhaps a company might not come into Dexter, for instance, knowing that they would meet a deadline and without assurance that there would be some way of—well, they might be very hesitant to come into Dexter or those towns. That's the problem, maybe one problem with the variance procedure is that a company that might be prepared to move into a town, unless they could get their variance in advance, in some way, might not be willing to do that.

Senator MUSKIE. And you are stating the situation where there isn't a treatment plant in existence with the capacity to absorb—

Mr. JACOBS. That's right. There will be no treatment plant by 1977.

Senator MUSKIE. Yes.

Mr. JACOBS. It makes it very difficult to attract industry.

Senator MUSKIE. That's an important—

Mr. JACOBS. It is difficult enough as it is.

Mr. FRESHMAN. I just make the observation that—and I know that there are some problems with it, really, but the land treatment system in the State of Michigan has worked out some of its mechanical bugs and they are at the point of attracting industry. In fact, they can't accommodate all the industry that wants to come there during a national period that is obviously recessionary, simply because of the capability and flexibility of their waste treatment systems. To a certain extent, a good system which is designed properly can actually serve to attract industry and Muskegon was the poorest area in Michigan.

Mr. HERMAN. My next point was going to be, we've been talking about survival rights of our existing industries.

Senator MUSKIE. Yes.

Mr. HERMAN. We've been so much concentrating on survival. It's a no-no subject when you get into something new. Moving something new into a town and the first question is, what is your waste? I don't know about where we stand on that. If we were to bring in new industry that would cause pollution, I'm a little bit rusty on that, but I think that would be a very, very severe hurdle. There's no doubt that once you've got this thing, wonderful. But there, again, that just compounds the problems that I just mentioned with our housing industry. We like to attract good quality housing to provide the people and now, when we are acting with the concoction of the laws we were stopped. But hopefully we have got that—we've overcome that, but the delay is also lethal in timing.

Mr. HERMAN. We've lost an up to 70-odd house development of the very exclusive variety, which would have been a tremendous asset to the town.

Senator MUSKIE. Legitimate——

Mr. HERMAN. Survival. Now you're talking a new one. You've got a new ball game.

Senator MUSKIE. Anyone else like to comment? What's the word from the St. John River Valley?

Mr. CYR. Well, I only point out that the availability of money for loans, you know, for towns. Right now the best we can do is probably FHA and that's 5 percent. And maybe some towns can afford that, but I know there are a lot that would find that relatively high over a number of years and I think the Federal Government should look into the problem of maybe allowing loans with a lower interest rate for municipalities. I think that would help the situation some.

Mr. JACOBS. If I may add to that, Senator, I think, at least in our area, we need—Guilford needs more than loans to help with our collection system. They simply can't afford to pay off that principal.

Senator MUSKIE. That seems evident.

Mr. JACOBS. Whether it's 5 percent or 2 percent, they still can't do it.

Senator MUSKIE. Any other observations?

STATEMENT OF JOHN FORSTER, SOUTHERN KENNEBEC VALLEY REGIONAL PLANNING COMMISSION

Mr. FORSTER. My name is John Forster from the Southern Kennebec Valley Regional Planning Commission, and I didn't know about this meeting. I heard about it yesterday.

It seems to me that one of our problems in dealing with this whole issue is the process problem. When we get a law like the amendments of 1972, I don't feel we get enough information as to how the process is going to work so that we can explain it. Have it explained to us first, and then can translate it, and we get into problems of not understanding how it all fits together or how individual communities are run through it. And that gets us into a lot of nonproductive conversation where everybody has got some ideas of what's going to happen and nobody really knows what is going to happen.

As an example, in the Gardiner situation where they were ready to go to construction and then found out that, because of a change in priorities, which we agreed with, they were not going to go to construction on their timetable, it raised a whole group of new questions for the three towns. How do they stay together for a decade if they are continually asked to make changes in their plan or continually told that they can't build?

It seems to me that in the process of developing these things, if somebody could work through all the different situations that could arise and put them all together, we wouldn't be floundering around in midstream, trying to satisfy everybody's request for information, and I guess what I am coming down to is a proposal that if you are going to review the 1972 amendments, that somebody be there to draw the process lined right through that act and come up with answers that we can give ahead of the problems rather than behind.

I would also like to mention that the 208 process, which has not been discussed today, we feel can be extremely valuable in answering some of your questions about new techniques, because this is the first time that we have ever had an opportunity to spend money for preservation and for alternatives. Unfortunately our poor communities here are all ready past that. They really know they need facilities and every time they slip a year, they see an increase in costs and that brings lots of heat, anger, which I think is understandable, given the fact that they were told, in no uncertain terms, to meet some deadlines. And they started their process and are now told to put it into a holding pattern. So I think that's basic, what I'm commenting here; I'm questioning.

Senator MUSKIE. Well, that, of course, is wholly due to the fact we had a President who didn't recognize the fact his veto had been overridden! [Laughter.]

Mr. FRESHMAN. I might add on that, additionally, the Senator referred to the Commission on Water Quality, and I know that one of their conclusions is going to be that the information on how to cope with the new program was not disseminated to the people that actually have to do it. The in-depth study of the implementation of the construction grant program and the implementation of the 208 program have, you know, uncovered that, over and over again. I think that will provide more information for the subcommittee to use on that subject.

Senator MUSKIE. Yes; we have great hopes for the 208 program, and we're delighted that it has helped some of the main initiatives of this bill.

Mr. ADAMS. Senator, it might be wise to tell everyone, as I'm sure you know, that Maine was chosen one of the eight States for the in-depth studies for the Water Quality Commission investigation, and that should bring to light the very problems that have been discussed here today.

I would—I have two or three other points on which—

Senator MUSKIE. Yes.

Mr. ADAMS [continuing]. You have asked for information. I think many of the frustrations that have been voiced today are now behind us. The change in the State regulations are now behind us. The Department doesn't see great changes needed in Public Law 92-500. We see some dated to be slipped, but I think you've got to look at the

problems of industry and how they can be accommodated into it, and perhaps the answer to that is that variances would be issued to industries that are a part and have valid contracts with municipalities.

I think that the real problem that has been voiced here today, and at the hearing when I appeared before you in Washington, is funding, pure and simple. Everyone of the problems voiced here today, the State could solve if we had dollars, Federal dollars. We see a need for something like \$40 million, on a regular basis—Federal funds given to the State of Maine for this program.

One other item that you might consider is the previous act allowed prefunding. This gave communities that had unusual problems the opportunity to go ahead in anticipation of funds. I know of one community that is not represented here today which was more than willing to prefund 100 percent of a very worthwhile project which would solve a pollution problem. That might be something you would want to investigate. I understand the problems of prefunding, but it certainly was a useful tool and gave Maine a real headstart on this problem. You know, in a nutshell, it's just that we need dollars, that's all.

Mr. FINNEGAN. Are the national standards of water quality in agreement with the States' standards of water quality? I mean, assuming that we have overcome all the obstacles which have been voiced here this morning, then when we finally do discharge into the stream, are the national standards in agreement with the State, or are the States more stringent or—I was just curious about that.

Mr. ADAMS. No; I think they are in step, but say, keeping in mind the goals of Public Law 92-500 which is for fishable, swimable waters.

Mr. FINNEGAN. Yes.

Mr. ADAMS. And I think the State and the Federal goals, standards, are walking hand in hand.

Mr. FINNEGAN. Yes.

Senator MUSKIE. May I say this about the Maine situation. I—I understand all the problems, frustrations, and the tone of pessimism that permeates so much of what has been said this morning, but Maine really is ahead of the rest of the country. We were the first State to provide State matching funds in 1957 for this program, the year after the program was created. And Maine, as far as I know, is the only State in a position to take full advantage, at once, of the release of the impounded funds. We have got projects ready to go, and Bill testified in Washington that the full amount of that money should be in the construction phase within 12 months. So that, to a certain extent, many of these frustrations are behind for so much of Maine that it could well become the situation that attracts people to come into this State, because you've got your base pretty well in a position to be laid. So now, what you need is to build on that. There are other States that haven't advanced this far, so they are going to have to grow through some of those frustrations that Maine has already gone through. So there is some reason to be optimistic. The rest of the responsibility is ours in Washington to provide the funding and we'll try to do that, now that we've got all of the uncertainties generated by the impoundment out of the way.

The only other uncertainty now is the Federal budget. And we'll have to deal with that, or we're going to find ourselves spending deficits instead of spending dollars. But I guess that's unavoidable. Well, are there other observations? Yes, Mr. Warren, from Jackman, who has been nice to come down and submit a written statement. Would you care to comment, Mr. Warren?

STATEMENT OF LEON A. WARREN, TOWN MANAGER, JACKMAN,
MAINE

Mr. WARREN. Thank you. I have the impression that our problems are somewhat different up to this point than most that I've heard discussed this morning.

We are, and have been for some little time, No. 1 on the funding list, until just recently when, because of the decision that we were not ready to go to construction, we are now backed off, that's until next year. But I think the impressions of our people in our small communities are important.

I agree with Mr. Cyr that perhaps the umbrella, the engineering umbrella, I might say, that is put over the whole country could be revamped. I feel confident, for example, that our own Department of Environmental Protection, their engineering expertise, is as good as that which might come from far places. And, if that were true, if it were recognized, Jackman would perhaps already be in construction.

These things in small towns, ours is only 850 people, and I shudder to think that we have not yet arrived at the point where many of these people are, concerning funding. But we are the first town over the border, coming from Quebec. And whether they mean it or not, their attitudes, their impressions of government, are transmitted to visitors, to tourists, as they come into our town. And they face an unusual situation which is not directly related to pure water or clean water. It's true that we discharge into the headwaters of the Kennebec River, Holeb Pond, Big Wood Lake, and Attean Lake are the headwaters and Moose River, and we discharge directly into these waters. We also discharge at certain times of the year when part of the septic system is flooded by the lake into Big Wood Lake, a hundred yards from where we take our water supply. This is important. This has to do with clean water.

But there are other areas. Our whole collection system has deteriorated to the point where it is breaking up. And 25 to 30 percent of the town is without a septic system, in any event, septic systems which do not function. The soil will not—has not the capability, in that area, to take care of septic systems. I think this is true in Madawaska to a large extent. And actually on some of our streets, the ditches are the septic systems. And these people read the papers, and they recently have read that they will no longer be allowed to discharge directly into the river, and what is the alternative? Septic systems in a territory that's not capable of taking them, which means gravel banks or gravel beds, at a cost of anywhere from \$1,500 to \$7,500, they read. They are not quarreling with a \$150 or more a year as a user fee because in the long run it may cost them many times that. And so, we are in a community with a high rate of unemployment. We can see and can be frustrated by the fact that bureaucracy, which they are impatient with in a small town, far removed, because they are people who work in the woods, and when they swing an ax, something happens.

Senator MUSKIE. The ax isn't swung very often in Washington.
[Laughter.]

Mr. WARREN. But being used to action and being used to being perhaps quite independent, getting things done. For example, recently, Bill, they laid 1,000 feet of their own sewerline without help

from anybody. This impatience is transmitted to our guests who come into the country. But, more than that, they are unemployed, they see that immediate construction could, perhaps, take care of the total unemployment situation in our small town. They know that they have been at it since 1969. In a small town they hear many reasons for these things, most of which are not accurate. I'm not sure that this contributes to this meeting, at all, except that I think that impressions are important, I think they should be recognized. In your town you must have some of this same type of thing, Mr. Cyr, and certainly we are all in favor of clean water, but much closer to us is our own sanitary situation, our own unemployment expense annually of rebuilding inadequate sewer systems to begin with.

I have no answers. I think we perhaps have had delays that were not necessary, but most of us who are uninformed are likely to make inaccurate statements, so I wouldn't want to do that. But I do see a need for immediate action in the smaller communities who are willing to do things. If that adds to this conference, it has been worthwhile to come from Jackman and, in any event, I appreciate the opportunity.

Senator MUSKIE. Well, it is, indeed, appropriate. It might interest you to know that I heard these same arguments made in the Senate Subcommittee on Environmental Pollution, not so long ago. Now that the Supreme Court has spoken, maybe we can get some of these things moving. And since we are in a recession, it is a good way to make jobs. And where it is frustrated with the fact that the bureaucracy doesn't seem to carry out our intentions rapidly as you are. So we're on both sides of that great divide, but I hope we come to grips with that problem. We may not still act as fast as you would like, we still may not move as fast as you would like, but I think it's going to move faster. I think we are going to do the job, I really do.

Do you have something, John?

Mr. FRESHMAN. I was just going to say that we recognize and heard of those at the hearing where I also was with the Senator, that these construction grant funds are about the only real Federal funds available to the towns any more, with the programs that were dried up under the Nixon administration. The highway program is phased out in most places and the unemployment indication is rather high, especially in a town like Jackman. We want to get them going for that reason, as well as to clean up the water. In other words, both purposes—the fact that we have a rather high unemployment rate which was just announced yesterday as getting higher, and we have a serious water problem, can come together here. For that reason, we want to move them as fast as we can now, too.

Senator MUSKIE. We so often seem to be getting involved in make-work projects to put people to work in a time of unemployment, when here is something that needs to be done. And it seems to me now is the time to do those things and create jobs and also serve a more useful, you know, a long-term purpose. It makes so much sense. The economists, you know, don't like public work projects to meet a recession because, they say, it takes too much leadtime and you waste a lot of time. I think this is the best kind, to put people actually to work on something useful.

I drove into Rumford, which is the town where I was born, recently and those of you who know Rumford know that the business section

of the town is on an island in the Androscoggin River. And, periodically, we are troubled by floods. And there was a big one in 1936 and a few of you are old enough to remember it, with me, but I drove across the bridge onto the island recently and there was this big concrete buffer and the workmen had scrawled on it "WPA, 1936". Now, there is a permanent public work that has protected that island, that business section, almost 40 years now. That is the kind of thing that has lasting value and it created work at the time.

So we are very conscious of that, Mr. Warren, and the desirability of doing that. Whether we can get the money down to Jackman, just like that, I don't know. We'll have to depend on Bill Adams to carry it when we—if we can get it to him.

Mr. ADAMS. I think Jackman is No. 1.

Mr. WARREN. You said something a few moments ago, that we are ahead of a great part of the Nation in our efforts. I would hope that that's because of the people we have working, and I think that goes back again to the idea of the engineering umbrella over the complete country, when our own folks who, in this instance, know Jackman, know the size of it, know the soil conditions; know what infiltration and inflow means in that town, how much it has to be tested, the criteria they might establish might be much more valuable than the criteria created at a national level.

Senator MUSKIE. Well, it's a question of balancing, Mr. Warren. I agree. I'm all for getting these decisions down as close to the local level as possible. The fact is, of course, that if you have the national programing, you have to have some national standards. Flexibility within those standards ought not to be too detailed. But they have to lay down the objectives. We have really been all involved in a learning process here for the last 10 years. I hope we've reached the point now where we can be a little loose, and a little more flexible and delegate authority to get the thing moving. I'm all for that.

I don't think Washington is very good in actually doing the detailed operation of these programs. Washington is the policy setting. Down here is where you get it executed, I think. At least, that's my feelings on it.

[Mr. Warren's statement and a memorandum from Mr. Purington follow:]

STATEMENT OF LEON WARREN, TOWN MANAGER, JACKMAN, MAINE

To share with you "the experience of your community in dealing with the law" is to share with you a record of frustration.

In 1969, a Sewer District was created in Jackman. Since that time one might get the impression that our federal government does not really want to clean up the water, at least not the waters of the Kennebec. The waters of the Kennebec River originate in Holeb Pond, Attean Lake, Big Wood Lake and the Moose River. The sewer disposal for Jackman is direct discharge into Big Wood Lake and the Moose River. Further, the domestic water supply is taken from Big Wood Lake only a few hundred yards from the sewer discharge and only about one hundred yards from the leachfield serving about twenty homes; said leach field being only a few feet from the lake shore and always flooded by the lake and non-functional in the spring of the year.

Since 1969 there have been constant road blocks and delays for one reason or another, not the least of which was the impoundment of funds.

It was not until 1974 that Jackman arrived near the top of the priority list even though the situation of discharge into both our domestic water supply as well as into the headwaters of the Kennebec had been a fact since the Sewer District had been created in 1969.

Apparently it was assumed that because we were not in line for funding, there was no urgency with design of final treatment, an assumption, incidentally, with which I do not agree. When we did reach the top of the list in 1974, final design, according to our engineer, was delayed by new and additional criteria. Now final design is delayed once again because E.P.A., contends that the engineer did not comply with requirements—requirements which an engineer on the spot determined were met from a practical point of view, with certification from D.E.P.

This determination not to accept flow-gauging from the engineer, was made by the Regional Administrator who, I venture to guess, has never been to Jackman and who I suspect, has a work load sufficient to keep him in a Boston office where he must make judgments from statistics rather than from first hand, practical knowledge of a situation such as our own D.E.P. and engineer do have.

For the record, I present with this statement, a letter from the Regional Director which outlines the position of the E.P.A. I assume D.E.P. must also have a point of view to express. Certainly the engineer who by this letter from E.P.A., is accused of not fulfilling requirements, must have a statement.

However, nothing at this point is as important as beginning construction on this sewer project immediately. Six years would seem to be ample time in which to design a sewer treatment plant to the satisfaction of all concerned, especially for a town the size of Jackman.

Clean water is even more important than it was in 1969. The need for adequate sewers is not less important than it was in 1969.

Unemployment in Jackman is a very serious situation, and this one project, started now, within this month, could perhaps virtually wipe out all unemployment here. If other funds are not available, then we suggest money earmarked to relieve unemployment could be made available.

Whatever construction is begun now, could not progress so far as to seriously affect the cost of final design before the required infiltration and inflow tests could be made and necessary adjustments to final design determined.

Finally, I realize that testimony such as this from the uninformed and frustrated citizens of any community, may only serve to further complicate an already confusing situation. In any event, there must be a way to meet this immediate need.



STATE OF MAINE

Department of Environmental Protection

WILLIAM H. ADAMS, JR.
COMMISSIONERMEMORANDUMADMINISTRATION
289-2811

March 21, 1975

BUREAUS OF:

AIR QUALITY CONTROL
289-2437LAND QUALITY CONTROL
289-3762WATER QUALITY CONTROL
289-2591MAIN OFFICE:
STATE HOUSE
AUGUSTA 04330

REGIONAL OFFICES:

BANGOR
31 CENTRAL STREET
BANGOR 04401
947-6746PORTLAND
415 CONGRESS STREET
PORTLAND 04101
775-6587PRESQUE ISLE
634 MAIN STREET
PRESQUE ISLE 04769
764-3737

TO: Municipal Officials

FROM: *Dennis A. Purington*
Dennis A. Purington, Chief, Div. of Municipal Services, DEP

SUBJECT: Municipal Priority Point System Revision and FY 76 Construction Grant Program

The DEP will hold a public hearing on April 7, 1975 at the Augusta Civic Center at 10:00 am to present its Continuing Planning Process pursuant the Federal Water Pollution Control Act Amendments of 1972.

Part of the hearing will present the construction project list that will be funded with the released impounded funds for Fiscal Years 1973, 1974 and 1975. These projects were picked from our priority list established at the public hearing on March 15, 1974. These projects were picked from our priority list on the basis of being able to proceed to construction within a six months period.

A list of tentative projects for Step One (Facilities Planning) and Step Two (Final Design) will be presented at the public hearing.

Projects to be funded with future Fiscal Year Federal allotments will be determined from the revised priority list presented at the hearing. Priority 3 (Severe Environmental Nuisance) has been redefined to attempt to make the DEP's intent clearer and to separate it from Priority Six. The "most upstream source" category has been deleted from this priority point system. The Add-on Category B (EPA Priority Basin) has been increased from one point to three points.

The following items are enclosed with this memorandum:

1. Construction Project List.
2. Supplemental Construction Project List.
3. Proposed Step One and Two Project List.
4. Revised Priority Point System.
5. Revised State Municipal Discharge Inventory.

DAP:jfg
Enc.

PROPOSED PROJECTS

<u>MUNICIPALITY</u>	<u>ELIGIBLE CONST. COST</u>	<u>E.P.A.</u>
Millinocket	\$ 5,646,000	\$ 4,234,500
Wells S.D.	8,705,000	6,528,750
York S.D.	3,436,000	2,577,000
Madawaska	2,199,000	1,649,250
Ellsworth*	2,800,000	2,100,000
Westbrook	15,800,000	11,800,000
Portland **	44,200,000	33,150,000
Old Town	3,300,000	2,475,000
Milford	350,000	262,500
Pittsfield	2,900,000	2,200,000
Topsham S.D.	2,300,000	1,700,000
Brunswick S.D. (Int.)	970,000	730,000
Wilton	2,700,000	2,025,000
TOTAL:	<u>\$95,306,000</u>	<u>\$71,432,000</u>

* Ellsworth - FHA and EDA funding committed

** Portland - WWTF, Back Cove, outfall, India St. P.S., Fore River Int. from India St. P.S. to Maple Street and force main from India St. P.S. to WWTF.

SUPPLEMENTAL PROJECT LIST FOR PROJECTS TO TAKE PLACE OF PROJECTS ON
PRIMARY LIST THAT CAN NOT PROCEED TO CONSTRUCTION IN CALENDAR YEAR 1975

<u>MUNICIPALITY</u>	<u>ELIGIBLE CONST. COST</u>	<u>E.P.A.</u>
Dixfield	\$ 400,000	\$ 300,000
Mexico S.D.	600,000	400,000
✓ Gardiner	<u>5,300,000</u>	<u>3,975,000</u>
Farmingdale	1,025,000	768,750
Randolph	1,000,000	750,000
Bangor (Kend Int. Ext.)	1,000,000	750,000
Hallowell W.D.	1,000,000	750,000
Augusta S.D.	6,000,000	4,500,000
Cape Elizabeth (South)	5,500,000	4,100,000
Brunswick S.D. (WTF)	3,630,000	2,722,500
Cumberland	<u>3,900,000</u>	<u>2,900,000</u>
TOTAL	\$29,355,000	\$ 21,916,250

STEP 1 & 2 PROJECTS

Step 1

Dexter U.D.
Corinna S.D.
A.P.T.D. (Presque Isle)
Bayside Village Corp. (Northport)
Mechanic Falls S.D.
Lincoln S.D.
Veazie S.D.
Dover-Foxcroft
Great Salt Bay S.D.
Patten
Searsport
Hampden
Howland
Winterport S.D.
Bucksport

Stonington

Step 2

Jackman S.D.
A.P.T.D. (Caribou)
Scarborough S.D.
Bridgton
Ellsworth
Guilford-Sangerville S.D.
Newport S.D.
Lincoln S.D.
Mechanic Falls S.D.
East Millinocket
Grand Isle
Norridgewock W.D.

Priority 5 Statutory Time Schedule 16 Points

This priority denotes that the project is on a statutory time schedule enacted by the Maine Legislature. These schedules include the Kennebec River, the Penobscot River, Hancock County, Waldo County, the Mousam River, and Section 451 of the Maine Revised Statutes, Annotated. (Hereto referred to as the "451" Schedule).

Priority 6 Misc. Water Quality Problems 14 Points

This priority denotes that the problem is not as severe as those in Priority #3 but will require abatement or corrective action. This priority takes into account local problems such as limited area of project is on malfunctioning subsurface disposal systems.

Priority 7 Necessary to Maintain Water Quality 13 Points

This priority is given to problems which are not creating a nuisance or serious conditions other than violating an assigned water quality standard. This would be applicable to a small discharge located on a relatively large river where bacterial pollution may be a problem.

Priority 8 Upgrading Facility 12 Points

This priority is assigned projects which require additional facility construction. This would be applied to a primary treatment facility being upgraded to secondary, a secondary facility being upgraded to tertiary, or any facility requiring expansion, corrective action, or other renovation.

ADD-ON POINTS

A. Order and Directive 10 Points

A project which has been ordered by a Federal Court, a Maine Court, or the Board of Environmental Protection, will receive ten (10) points in addition to its base point total.

B. EPA Priority Basin 3 Points

A project located in an EPA Priority Basin will receive three additional points. The St. Croix and the Androscoggin River Basins in Maine are EPA Priority Basins at the present time.

C. Located on a Class I Segment 4 Points

Any project located on a Class I Segment as defined by DEP in its Segment Classification System developed pursuant to Title 40 of the Code of Federal Regulations, Part 130.41, (40 CFR 130.41), will receive four (4) additional points.

D. Located on a Class II Segment 3 Points

See C above for definition

E. Location on a Class III Segment 2 Points

See C above for definition.

F. Discharge Effects Lake System

4 Points

If the proposed project discharges into a lake system or tributary thereof, four (4) additional points are added to the Project's priority point total.

STATE MUNICIPAL DISCHARGE INVENTORY

<u>29 Points</u>	<u>BASE</u>	<u>ADD-ON</u>
Sabattus	3	B,D,F
<u>27 Points</u>		
Manchester S.D.	1	D,F
Monmouth S.D.	1	D,F
<u>26 Points</u>		
Jackman S.D.	1	E,F
<u>23 Points</u>		
Aroostook-Prestile T.D. (Caribou)	3	C
Old Orchard Beach	3	C
Portland (Portland Water Dist.)	3	C
Scarborough S.D.	2	D
Westbrook (Portland Water Dist.)	3	C
<u>22 Points</u>		
Bridgton	5	E,F
Brunswick S.D. (Int.)	5	B,D
Cape Elizabeth (North)(P.W.D.)	3	D
Dexter	6	C,F
Dixfield	5	B,D
Ellsworth	2	E
Freeport S.D.	2	E
Great Salt Bay S.D.	2	E
Island Falls	5	E,F
Mechanic Falls S.D.	5	B,D
Mexico S.D.	5	B,D
Bayside Village Corp. (Northport)	2	E
Patten	5	E,F
Searsport	2	E
South Portland	3	D
Topsham S.D.	5	B,D
Wells S.D.	2	E
Winter Harbor	2	E
York S.D.	2	E
<u>21 Points</u>		
Aroostook-Prestile Treatment Dist. (Presque Isle)	4	C
Grand Isle	4	C
Madawaska	4	C
Washburn	4	C
<u>20 Points</u>		
Corinna S.D.	8	C,F
Danforth	7	B,F
East Millinocket	5	C

Millinocket	5	C
Newport S.D.	5	C
Pittsfield	5	C
Sanford S.D.	8	C, F
Winslow	5	C

19 Points

Bangor (Kenduskeag Interceptor Extension)	5	D
Bangor (Penobscot Interceptor)	5	D
Farmingdale	5	D
Frenchville	4	E
Gardiner	5	D
Hallowell W.D.	5	D
Hampden	5	D
Howland	5	D
Lincoln S.D.	5	D
Milford	5	D
Norridgewock W.D.	5	D
Norway	8	B, C
Old Town	5	D
Peru	7	B, D
Randolph	5	D
Veazie S.D.	5	D
Wilton	5	D
Winterport S.D.	5	D

18 Points

Biddeford Pool	5	E
Brunswick S.D. (WTF)	5	D
Bucksport	5	E
Clinton W.D.	6	C
Dover-Foxcroft	5	E
Guilford-Sangerville S.D.	5	E
Islesboro	5	E
Kezar Falls (Porter & Parsonfield)	5	E
Medway	6	C
Stonington	5	E
Tremont	5	E
Vassalboro S.D.	5	E

17 Points

Cape Elizabeth (South) (Portland W.D.)	6	D
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16 Points

Brownville	6	E
Cumberland	7	D
Enfield	7	D
Gorham (Little Falls) (PWD)	5	
Limerick S.D.	6	E
Milo W.D.	6	E
North Berwick S.D.	6	E
Rockport	6	E
Kennebunk S.D.	8	C
Mars Hill U.D.	8	C

15 Points

Augusta S.D. (Sec.)	8	D
Bangor (Sec.)	8	O
Bayville Village Corp. (Boothbay)	7	E
Boothbay	7	E
Cherryfield	7	E
Eastport	7	E
Eliot	7	E
Kingfield	7	E
Kittery	7	E
North Anson	7	E
North Haven	7	E
Phillips	7	E
Richmond U.D. (Sec.)	8	D
St. George	7	E
Saco (Camp Ellis)	7	E
Squirrel Island Village Corp. (Southport)	7	E
Vinalhaven	7	E
Warren	7	E

14 Points

Ashland W. & S.D.	8	E
Blaine	6	
Boothbay Harbor S.D. (Sec.)	8	E
Bowdoinham	6	
Canton	6	
Eagle Lake W. & S.D.	6	
Gorham (P.W.D.)	6	
Harrison	6	
Monson	6	
Monticello	6	
South Berwick S.D.	8	E

13 Points

Mattawamkeag	7
North Windham (P.W.D.)	7

12 Points

<i>Bath (upgrade)</i>	<i>8</i>
Limestone W. & S.D.	8

The following projects have not been assigned specific priority numbers but are considered needs:

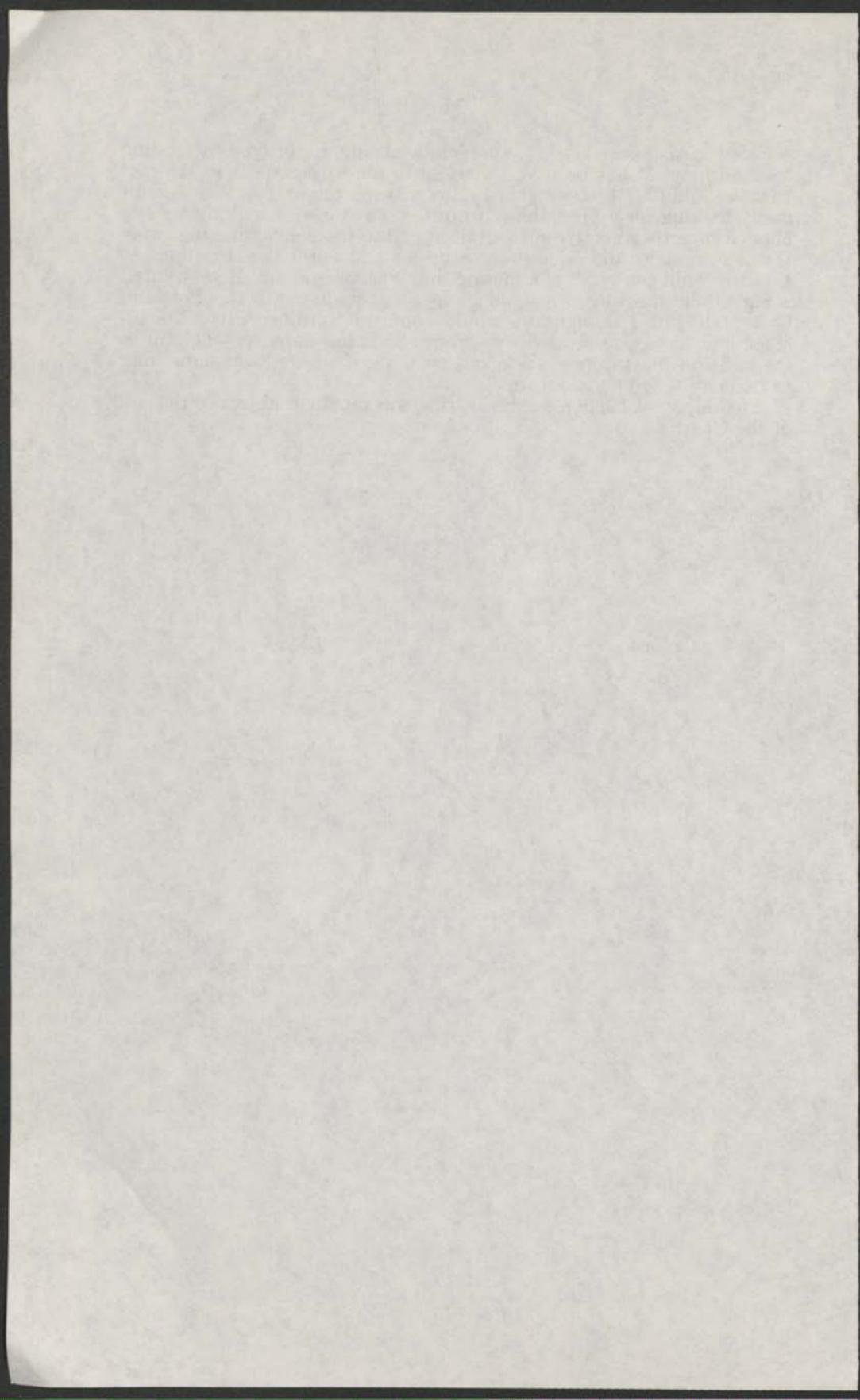
Alfred	Littleton
Andover	Lubec
Auburn	Minot
Belgrade	North Yarmouth
Blaine	Poland
Buxton	Oxford
Carmel	Rome
Cornish	Sherman

Buckfield	Sinclair
Burnham	Sidney
Eustis	Smithfield
Falmouth (Portland W.D.)	Orrington
Fryeburg	Union
Gray	Wayne
Greenwood	Woolwich
Harmony	Woodstock
Herman	Mercer
Hiram	
Holden	
Hollis	
Limington	

* Developed from D.E.P. Municipal Priority Point System

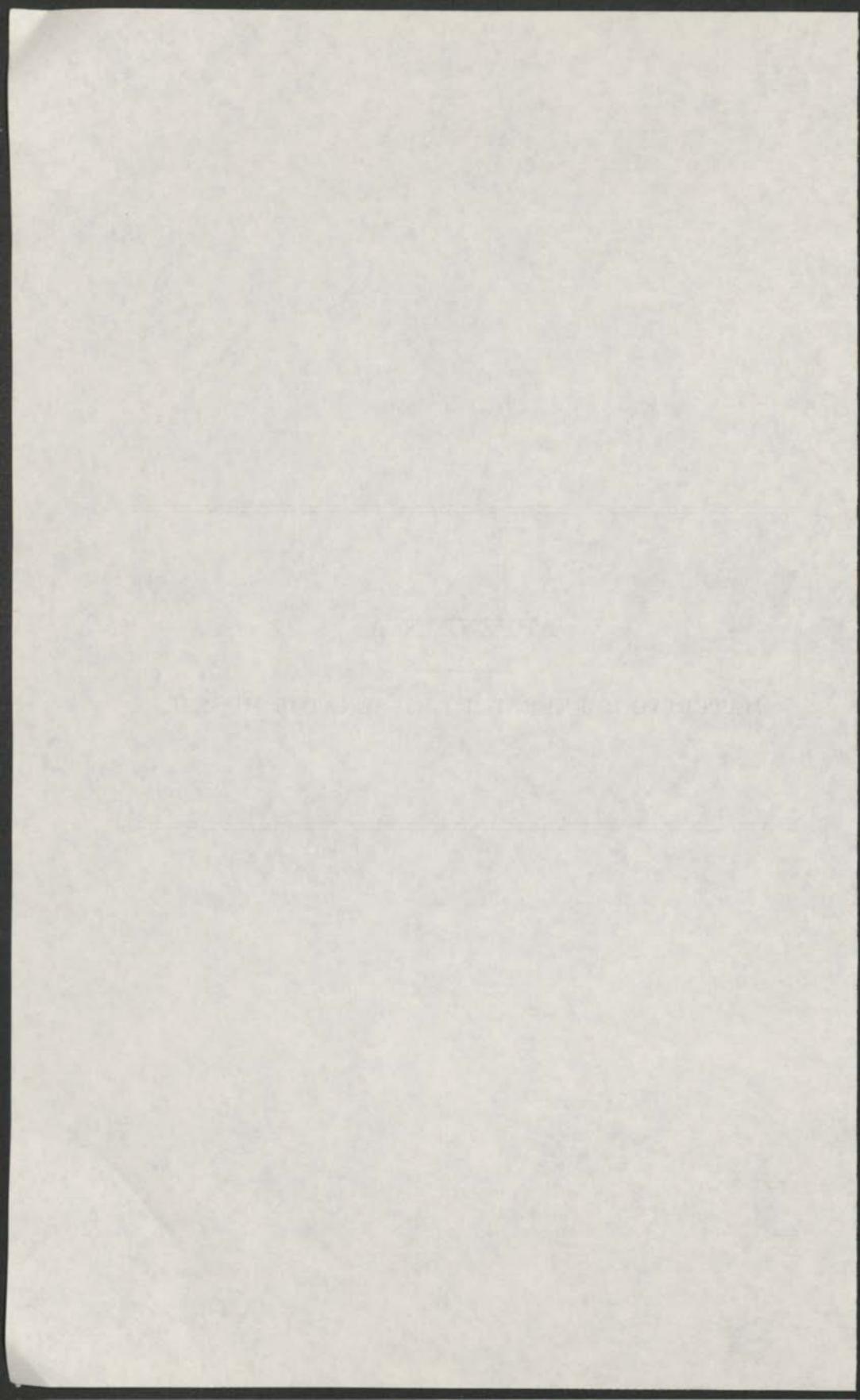
Senator MUSKIE. Well, I appreciate again, all of you attending this morning. It has been very helpful to me with respect to the fact that we didn't advertise this as broadly as might be. We weren't really looking for a big public turnout. What we were looking for is a chance to get a selective presentation of the problems affecting small towns and so we did select our witnesses and select the situations so that we could get a sort of a mosaic that was meaningful. If we wanted a big public meeting, we could have gone, perhaps, to the Portland City Hall, but I thought we would come to Gardiner City Hall instead and have a more selective group. So it has been very helpful to me and I'm most appreciative and we'll see if we can't do something to be helpful to you in return.

[Thereupon at 12:30 p.m. the hearing was recessed subject to the call of the Chair.]



APPENDIX A

MATERIAL REFERRED TO BY SENATOR MUSKIE



Informational Report
PROPOSED VARIANCES
MUNICIPAL POLLUTION ABATEMENT TIME SCHEDULES
(Amendments to Title 38, Section 451-A)

Staff Document
Department of Environmental Protection
February, 1975

REPORT ON
POLLUTION ABATEMENT TIME SCHEDULE PROBLEMS
(Proposed Amendments to Title 38, Section 451-A)

HISTORY

The first legislative time schedules were established for the Kennebec River in 1961 and required treatment of all wastes on that river by October 1, 1976. All subsequent statutory time schedules endorsed the completion date for State-wide clean-up as October 1, 1976. As the State's water pollution control laws continued to be developed, the licensing provisions of Title 38 found in Sections 413 and 414 currently require that all discharges must be receiving best practicable treatment by October 1, 1976.

In order for municipalities to meet their water pollution abatement responsibilities, they have relied heavily on grant assistance which has been provided at both the Federal and State levels. The municipal programs moved along well and many communities now have operating treatment plants with others under construction. Until approximately three years ago, it appeared that there was still a chance that all municipalities would be able to meet the October 1, 1976 deadline. Since that time because of Federal impoundment of water pollution control funds coupled with drastic increases in the cost of providing pollution abatement facilities, it has become evident that the 1976 deadline, if conditioned upon the receipt of Federal and State grants, could not be met. The Legislature chose to adopt the theory that municipalities could not be expected to proceed without Federal and State grant assistance and, this being the case, recognized that the '76 deadlines were not going to be met. On the other hand, industries and all others had not historically been eligible to receive Federal and State grant assistance and, therefore, their programs were not dependent upon the availability of these funds. Considering these two foregoing factors, the Legislature in 1973 passed a statutory provision now found in Title 38, Section 451-A which would allow a municipality a variance from

the October 1, 1976 completion date if the municipality had done everything that they could do towards meeting their pollution abatement obligation with their only hold-up being the lack of availability of Federal construction grants.

PROBLEMS

Situations have recently come to light which may warrant a broadening of the variance provisions as they now exist. The first circumstance comes about as a result of recent interpretations of the statutory language which indicate that the municipal variances should apply only to the municipal system as it existed on October 3, 1973. Rigid interpretation could result in the following: Every individual home not connected to a municipal system on October 3, 1973 whether it be an existing home or a new home would have to provide its own treatment system prior to October 1, 1976. All new subdivisions no matter how small or new sewer extensions even if only considering single streets, could not be connected to an existing municipal system unless treatment of the waste was provided immediately in some cases, but in all cases no later than October 1, 1976. The existing interpretation of the law would also preclude individual home owners waiting to connect to a municipal sewer system that has been planned for them by their community. The interpretation concludes that if the sewerage system and treatment facility is not going to be available on October 1, 1976, then all that might have connected to this planned system would have to be providing their own treatment by that date. It would appear that this interpretation would completely destroy the concept of municipal systems for it would not seem that individuals would be willing to pay from two to five thousand dollars for their own treatment systems and then be willing to abandon those systems when a municipal sewer is provided for them. From the standpoint of the State's regulatory agency, it would mean that thousands of individual systems would have to be routinely inspected instead of the 150-200 municipal plants that ultimately would be built to serve these same individuals.

In addition to the individual home, subdivision, commercial establishment type of problem, there are some industrial projects that may warrant special consideration in regard to their inclusion under waiver provisions. One type of example is the small industry which has planned for years to join with the municipality in providing joint treatment facilities and, in fact, in some of these cases, the final planning has been completed and the project would have been constructed within the statutory time limitations if Federal grant funds had been available. A case in point here is the City of Gardiner and their relatively small Yorktowne Paper Company plant. A second type of example is the industry and town who want to jointly build facilities and irregardless of the fact that this may have been a very late decision on their part, there are certain advantages to the particular project to both the municipality, the industry and the State. For example, in the case of one project it appears very possible that neither the small industry nor the small community can afford to build their own separate facilities; however, by joining together, they can take advantage of economies in scale and it is possible that the project would then be economically feasible. A second type of example are industries which want to join in the municipal system in which case it would benefit from a standpoint of economics both the industry and the town; however, in these cases the industries do have the financial capacity to build their own plants. In these cases, from the State's water pollution control program standpoint, if the industries build their own plants, their outfalls will be to critical small waterbodies where even the treated discharges, although meeting State standards, will always have a detrimental impact on these small waterbodies. In both cases, if they joined with the municipal systems the wastes would be transported to the regional treatment plant with the final discharge going to, in one case, a major industrial river and, in the second case, an ocean outfall. In these latter cases,

there is an advantage to the industry, to the municipality and to the State in the long term benefits to water quality.

PROPOSED SOLUTION

Although the practicality of expanding the variance provisions is recognized, there is concern, especially in the industrial cases, in creating an inequitable situation between the industry that has gone ahead and complied with the '76 deadline and the one that may be allowed to delay its project while waiting for a municipal project to be funded. The industries that are treating cannot produce their product as cheaply as those who are allowed to discharge raw, therefore, there is created an unfair marketing advantage to those allowed to delay providing treatment. In order to erase the possibility of this inequity and, in fact, the inequity that would exist between all of those who have met their 1976 State obligations and those who might be allowed to discharge raw beyond the 1976 completion date, the proposed Section 451-A amendment includes a provision whereby those receiving a variance would be required to start paying for capital, operation, and maintenance charges based upon estimated cost in the same manner that others are actually paying for meeting their obligations. The funds collected and subsequent interest earned thereon are to be placed in escrow by the municipality or sewer district and are to be used as needed for the local share of planning and constructing sewerage and waste treatment facilities. It would seem that the suggested approach may have some appeal to municipalities, for it would allow them to build up sewerage and waste treatment construction accounts and would place them in a much better financial position to go forward with the project at the moment Federal and State grant monies are made available to them.

CONCLUSIONS

The existing problems outlined above are having an adverse effect upon the administration of the State's water pollution control program. The uncertainties on the individual homeowners position where they have a municipal system available to them or one planned for them leaves confusion in the licensing approach to these

individuals. The industrial/municipal problems, although clear, do not necessarily seem to provide the most practical and logical solutions. It is for this reason that legislative changes are being proposed with subsequent action to give the State agencies administering these laws a statute that can be administered and pursued with confidence. It is felt that the proposed amendments to Section 451-A both recognize the efforts of those persons who have fully complied with the law and at the same time, allow some variances to make the law more practical under the current situation. Proposed changes attempt to make the law equitable by providing that those who have failed to meet their time requirements be assessed to the same extent as they would have been if they were, in fact, providing the necessary facilities. The proposed amendments affect only municipal sewerage and waste treatment systems and those persons and other entities that would be served by an existing municipal system or the system that is planned to be constructed immediately upon the availability of Federal construction grant funds. The statutory requirement of providing best practicable treatment by October 1, 1976 remains in affect for all persons, commercial establishments, industries and all others having waste discharges to waterbodies including coastal waters which will not be served by a municipal system as described above. Appended to this report is a copy of the Department of Environmental Protection's preliminary drafts of the proposed amendatory legislation.

AN ACT TO ALLOW THE BOARD OF ENVIRONMENTAL PROTECTION TO GRANT VARIANCES
TO STATUTORY TIME SCHEDULES

Be it enacted by the People of the State of Maine, as follows:

38 M.R.S.A., Section 451-A as enacted by P.L. 1973 chapter 423

section 8 is repealed and the following enacted in place thereof:

1. The Board of Environmental Protection may grant a variance from any statutory water pollution abatement time schedule to any municipality or quasi-municipal entity (hereinafter "municipality") upon application by it. The Board may grant a variance only upon a finding that:

A. Federal funds for the construction of municipal waste water treatment facilities are not available for the project, and

B. The municipality has demonstrated that it has demonstrated that it has completed preliminary plans acceptable to the Department of Environmental Protection for the treatment of municipal wastes and for construction of that portion of the municipal sewage system intended to be served by the planned municipal treatment plant when that plant first begins operations, and

C. Beginning on October 1, 1976, the municipality will collect from each discharger into its sewage system and each discharger not connected to the sewage system which has signed an approved agreement with the municipality pursuant to subsection (2) of this section an annual fee sufficient to equal the prospective annual capital amortization and operating costs of the waste treatment plant and the sewage system for which preliminary plans have been completed and approved pursuant to paragraph B of this subsection; provided, however, that in lieu of such annual fees paid by

dischargers other than industrial dischargers, the municipality may apportion an appropriate amount from general revenues to cover that share of fees to be paid by non-industrial dischargers. The funds collected or apportioned pursuant to this paragraph and interest collected thereon shall be invested pursuant to the provisions of Title 30, Chapter 241, Maine Revised Statutes and shall be placed in an escrow account by the municipality to be used as needed by the municipality in planning and constructing its sewage system and waste treatment facility.

Variances shall be issued for a term certain, not to exceed three years, and may be renewed, except that no variance shall run longer than March 1, 1979 nor beyond the time specified for completion of the municipal waste treatment facility. Upon notice of the availability of Federal funds, the municipality shall present to the Department of Environmental Protection for approval an implementation schedule for designing, constructing and placing the waste collection and treatment facilities in operation.

Variances may be conditioned upon terms relating to appropriate interim measures to be taken by the municipality to maintain or improve water quality.

2. Any person, other than a municipality, maintaining a discharge subject to the requirements of sections 413, 414, and 414-A of this subchapter shall be exempt from the requirements of section 414-A-1-D (Effluent Limitations and Best Practicable Treatment) if, within 90 days of the enactment of this legislation, or on the commencement of a licensed discharge, which ever occurs later, such discharger presents to the Department of Environmental Protection and receives approval of an agreement with the municipality to connect to the existing or planned municipal sewage system as soon as it is available. The Department shall approve such an agreement exempting the discharge from the requirements of section 414-A-1-D only

where the Department determines that:

A. In the case of a new discharge, that such new discharge will not cause serious water quality problems, including but not limited to downgrading the receiving waters so as to make them unsuitable for currently existing uses. For the purposes of this section a "new discharge" is a discharge which commences or a discharge which changes characteristics or increases licensed volume by more than 10 percent on or after the date of enactment of this Act.

B. The agreement with the municipality fully binds the individual requesting this exemption to connect to the municipal system as soon as it is available and to pay the fees specified in paragraph C of subsection 1 of this section, and

C. the sewer into which the discharge is connected or is proposed to be connected will be serviced by the proposed sewage treatment plant immediately upon completion of construction and commencement of operation of such treatment plant.

3. Failure to comply with any of the terms of an agreement approved pursuant to subsection 2 of this section shall immediately render such agreement null and void and discharges included in such an agreement shall immediately cease or shall only discharge in accordance with the standards of best practicable treatment specified in section 414-A-1-D and all other requirements of sections 414 and 414-A of this subchapter.

4. Where a discharger otherwise exempted from constructing treatment facilities pursuant to this section will be required to pretreat effluents before discharge into the municipal system pursuant to any requirement of state or federal law, such pretreatment system shall be installed not later than October 1, 1976.

5. Municipalities and quasi-municipal entities shall assess and collect the fees to be charged pursuant to this section in accordance with the provision of Chapter 235 and Chapter 237 of Title 30, Maine Revised Statutes or Chapter 11 of this Title as if the planned sewage system and waste treatment facility were funded and under construction or constructed and in operation.

STATEMENT OF FACT

The existing statute, 38 M.R.S.A., Section 451-A authorizes the Board of Environmental Protection to grant variances from statutory time schedules to municipalities and quasi-municipalities. The authority is continued intact in this Act.

The existing statute does not authorize the Board of Environmental Protection to extend a variance to persons, industries or other entities not connected to the municipal system prior to October 3, 1973 although these entities have indicated that they wish to be included in the municipal type system when it is constructed. This Act would allow the Board of Environmental Protection to include potential users of the municipal type system in any variance provided the potential users and the owners of the municipal type system meet the requirements specified in this Act.

The key requirements are:

- (1) A binding agreement is entered into by all parties;
- (2) Potential industrial and commercial users of the municipal type system have operating all pre-treatment systems prior to October 1, 1976.
- (3) The owners of the municipal type systems are charging an appropriate fee of users and potential users beginning October 1, 1976; and
- (4) The municipal type system qualifies for a variance.

Entities qualifying for a variance are also exempted from the effluent limitations and best practicable treatment requirements of 38 M.R.S.A., Section 414-A-1-D.

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document**No. 702**

H. P. 566

House of Representatives, February 19, 1975

Referred to the Committee on Natural Resources. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. McBreairty of Perham.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Allow the Board of Environmental Protection to Grant
Variances to Statutory Time Schedules.

Be it enacted by the People of the State of Maine, as follows:

38 MRSA, § 451-A, as enacted by PL 1973, c. 423, § 8, is repealed and the following enacted in place thereof:

§ 451-A. Time schedule variances

1. Power to grant variances. The Board of Environmental Protection may grant a variance from any statutory water pollution abatement time schedule to any municipality or quasi-municipal entity, hereinafter called the "municipality," upon application by it. The board may grant a variance only upon a finding that:

A. Federal funds for the construction of municipal waste water treatment facilities are not available for the project; and

B. The municipality has demonstrated that it has completed preliminary plans acceptable to the Department of Environmental Protection for the treatment of municipal wastes and for construction of that portion of the municipal sewage system intended to be served by the planned municipal treatment plant when that plant first begins operations; and

C. Beginning on October 1, 1976, the municipality will collect from each discharger into its sewage system and each discharger not connected to the sewage system which has signed an approved agreement with the municipality pursuant to subsection 2, an annual fee sufficient to equal the prospective annual capital amortization and operating costs of the waste treat-

ment plant and the sewage system for which preliminary plans have been completed and approved pursuant to paragraph B; provided, however, that in lieu of such annual fees paid by dischargers, other than industrial dischargers, the municipality may apportion an appropriate amount from general revenues to cover that share of fees to be paid by nonindustrial dischargers. The funds collected or apportioned pursuant to this paragraph and interest collected thereon shall be invested pursuant to Title 30, chapter 241, and shall be placed in an escrow account by the municipality to be used as needed by the municipality in planning and constructing its sewage system and waste treatment facility.

Variances shall be issued for a term certain, not to exceed 3 years, and may be renewed, except that no variance shall run longer than March 1, 1979 nor beyond the time specified for completion of the municipal waste treatment facility. Upon notice of the availability of federal funds, the municipality shall present to the Department of Environmental Protection for approval an implementation schedule for designing, constructing and placing the waste collection and treatment facilities in operation.

Variances may be conditioned upon terms relating to appropriate interim measures to be taken by the municipality to maintain or improve water quality.

2. Exemptions. Any person, other than a municipality, maintaining a discharge subject to the requirements of sections 413, 414 and 414-A shall be exempt from the requirements of section 414-A, subsection 1, paragraph D, Effluent Limitations and Best Practicable Treatment, if, within 90 days of the effective date of this Act, or on the commencement of a licensed discharge, which ever occurs later, such discharger presents to the Department of Environmental Protection and receives approval of an agreement with the municipality to connect to the existing or planned municipal sewage system as soon as it is available. The department shall approve such an agreement exempting the discharge from the requirements of section 414-A, subsection 1, paragraph D, only where the department determines that:

A. In the case of a new discharge, that such new discharge will not cause serious water quality problems, including but not limited to downgrading the receiving waters so as to make them unsuitable for currently existing uses. For the purposes of this section, a "new discharge" is a discharge which commences or a discharge which changes characteristics or increases licensed volume by more than 10% on or after the effective date of this Act;

B. The agreement with the municipality fully binds the individual requesting this exemption to connect to the municipal system as soon as it is available and to pay the fees specified in subsection 1, paragraph C; and

C. The sewer into which the discharge is connected or is proposed to be connected will be serviced by the proposed sewage treatment plant immediately upon completion of construction and commencement of operation of such treatment plant.

3. Failure to comply with agreement. Failure to comply with any of the terms of an agreement approved pursuant to subsection 2 shall immediately render such agreement null and void and discharges included in such an agreement shall immediately cease or shall only discharge in accordance with the standards of best practicable treatment specified in section 414-A, subsection 1, paragraph D, and all other requirements of sections 414 and 414-A.

4. Pretreatment systems. Where a discharger otherwise exempted from constructing treatment facilities pursuant to this section will be required to pretreat effluents before discharge into the municipal system pursuant to any requirement of state or federal law, such pretreatment system shall be installed not later than October 1, 1976.

5. Fees. Municipalities and quasi-municipal entities shall assess and collect the fees to be charged pursuant to this section in accordance with the provisions of chapter 11, and Title 30, chapters 235 and 237, as if the planned sewage system and waste treatment facility were funded and under construction or constructed and in operation.

STATEMENT OF FACT

This Act authorizes the Board of Environmental Protection to grant variances from statutory time schedules to municipalities and quasi-municipalities. The authority is continued intact in this Act.

The existing statute does not authorize the Board of Environmental Protection to extend a variance to persons, industries or other entities not connected to the municipal system prior to October 3, 1973, although these entities have indicated that they wish to be included in the municipal-type system when it is constructed. This Act would allow the Board of Environmental Protection to include potential users of the municipal-type system in any variance provided the potential users and the owners of the municipal-type system meet the requirements specified in this Act.

The key requirements are:

- (1) A binding agreement is entered into by all parties;
- (2) Potential industrial and commercial users of the municipal-type system have been operating all pretreatment systems prior to October 1, 1976;
- (3) The owners of the municipal type systems are charging an appropriate fee of users and potential users beginning October 1, 1976; and
- (4) The municipal-type system qualifies for a variance.

Entities qualifying for a variance are also exempted from the effluent limitations and best practicable treatment requirements of section 414-A, subsection 1, paragraph D.

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 951

H. P. 780

House of Representatives, March 6, 1975

Referred to the Committee on Natural Resources. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Hall of Sangerville.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Authorize the Board of Environmental Protection to Grant a Time Schedule Variance to Users and Planned Users of Proposed Municipal or Quasi-Municipal Waste Treatment Facilities.

Be it enacted by the People of the State of Maine, as follows:

38 MRSA § 451-A, as enacted by PL 1973, c. 423, § 8, is repealed and the following enacted in place thereof:

§ 451-A. Time schedule variances

The Board of Environmental Protection shall grant a variance from any statutory water pollution abatement time schedule or other requirement to any municipality or quasi-municipal entity upon application by it. Such variance shall be granted upon a finding that:

1. Federal funds unavailable. Federal funds for the construction of the municipal or quasi-municipal treatment facilities are not available, and
2. No other impediments except availability of federal funds. There are no other impediments to the municipality or quasi-municipal entity proceeding to construction of the system except the availability of federal funds.

Where any municipal or quasi-municipal entity has been granted a variance, the Board of Environmental Protection shall also grant a variance to any user, or planned user of the proposed municipal or quasi-municipal treatment facility upon a finding that the discharge from the user or planned user will be serviced by the proposed municipal or quasi-municipal treatment facilities immediately upon construction thereof and that a binding commitment exists between the user or planned user and municipal or quasi-municipal

pal entity requiring said user or planned user to utilize the services of the municipal or quasi-municipal facilities upon completion.

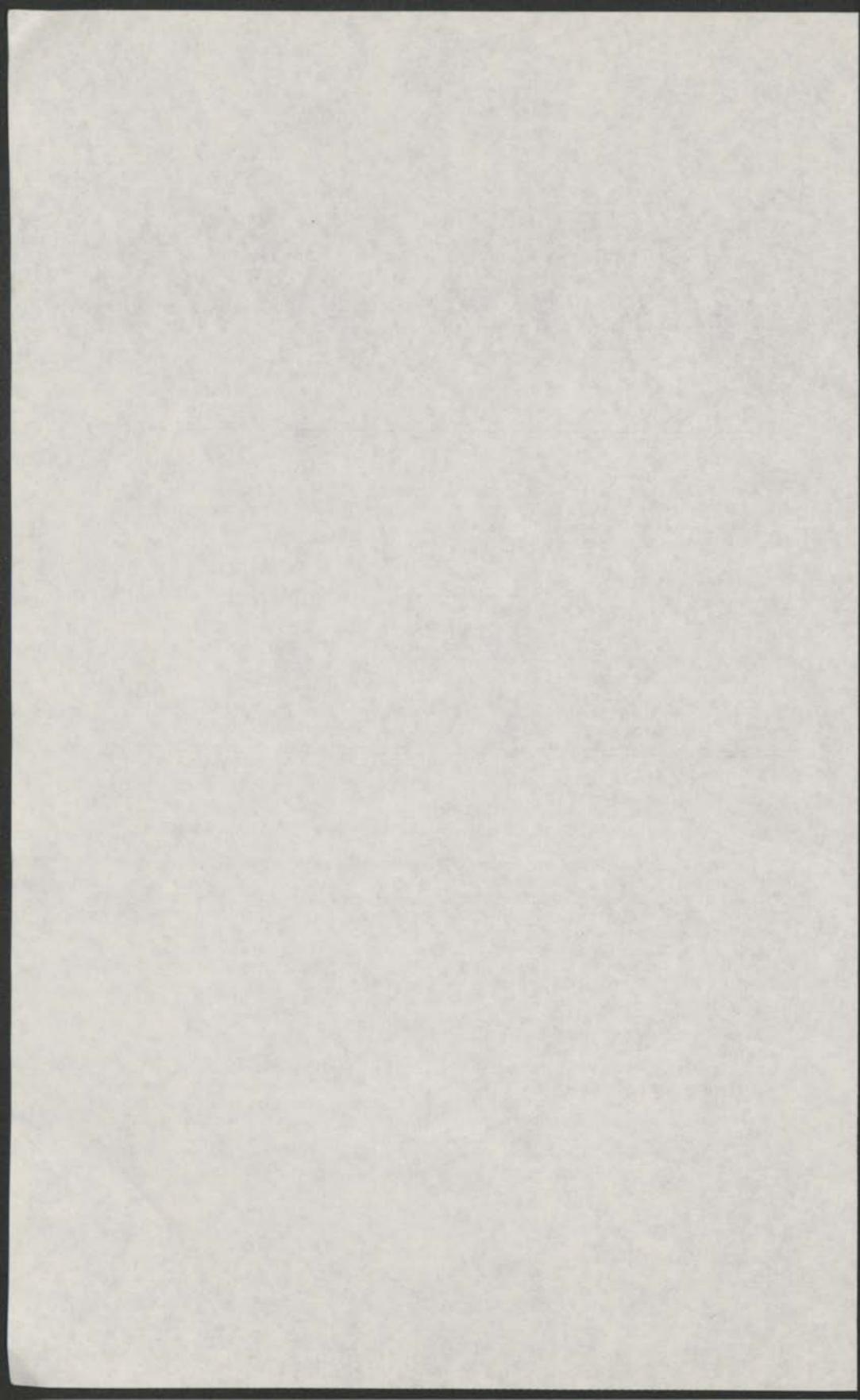
Variations may be conditioned upon reasonable terms relating to appropriate interim measures to be taken by the municipality or quasi-municipal entity to maintain or improve water quality.

STATEMENT OF FACT

The purpose of this bill is to require the Board of Environmental Protection to grant a time schedule or other statutory requirement variance to users or planned users of proposed municipal or quasi-municipal water treatment facilities. Under the present law, only municipalities may obtain a variance, and residential, commercial and industrial users or planned users of systems not completed by October 1, 1976 will be required to have constructed and operating their own treatment facilities by that date. The ultimate result would be duplication of treatment facilities creating a situation of burdensome costs on those required to construct their own facilities, difficulty of departmental surveillance and enforcement of many separate discharges, inordinately high user charges on small users when the systems are completed without inclusion of industries and other large discharges and needless use of energy resources in operation of many separate treatment facilities.

APPENDIX B

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LETTERS



CITY OF BANGOR, MAINE,
April 15, 1975.

HON. EDMUND S. MUSKIE,
U.S. Senator, 221 Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MUSKIE: Reference is made to your recent memorandum regarding the hearing of the Environmental Pollution Subcommittee of the Senate Committee on Public Works which was held in Gardiner on April 5, for the purpose of examining the problems that small communities and local industries face in meeting clean water requirements. Since we in Bangor are very much interested in the cleanup of the Penobscot River, and since we have encountered problems with the present Law, we would very much like to submit the following comments for the record.

As you know, the City of Bangor has continually maintained that the municipal effluent limitations as imposed by Section 301 of PL92-500 are far too inflexible, and in many cases will result in the expenditure of considerable sums of money with no appreciable results. Our specific objection has been the requirement that municipalities provide secondary treatment by July 1, 1977, while industrial sources will be required to provide the best practicable control technology currently available. The basis of our concern is contained in the findings of the Penobscot River Study, undertaken by the Environmental Studies Center at the University of Maine under a Ford Foundation grant, which was completed in 1972. This study, with which you are familiar, is focused on the segment of the Penobscot River between Old Town and Penobscot Bay, a 35-mile segment of the River bordered by a total population of 60,000 people and three paper product mills. The Study determined the pollution load from all sources along the River (Exhibit A), and determined their effect on the dissolved oxygen content in the River under different flow conditions (Exhibit B). The Study concluded that:

1. If all municipalities and industries on the lower River provided primary treatment, the dissolved oxygen content would be above the legal minimum 97% of the time.

2. If the Diamond International Corp. in Old Town provided secondary treatment, with primary treatment elsewhere, the dissolved oxygen content would always be at least 10% higher than the legal minimum, and most of the time would be 25% higher than the legal minimum.

3. If Diamond and Bangor provided secondary treatment, with primary treatment elsewhere, there would be no measurable change in the dissolved oxygen content specified in item 2 above.

4. If the other communities and industries on the River estuary provided secondary treatment, the increase in dissolved oxygen content would still be not measurable when compared to item 2 above.

The cost of secondary treatment facilities for the municipalities on the lower River was estimated at \$12 million in 1972, and is probably at least \$15 million at this time. Thus, the present law would require the expenditure of more than \$11 million of Federal funds for secondary treatment plants, while providing no increase in the quality of water in the Penobscot River.

In addition to the vast amount of capital cost for secondary plants, the municipalities would be faced with considerable operating expense. For example, the debt service and operating cost for secondary treatment in Bangor would be increased more than \$270,000 per year—a cost which must be borne locally.

Consideration should also be given to the waste of resources to operate secondary treatment plants where no increase in pollution abatement will be realized. For example, Bangor's primary plant uses approximately 900,000 KWH of electricity per year, but is it estimated that the electrical use will rise to 2,500,000 KWH when secondary facilities are added. This power increase would equal the annual requirement for approximately 300 homes.

Municipal waste is the largest source of bacterial pollution, which has resulted in the closing of the shellfish beds in Penobscot Bay. Previous studies by the State of Maine have indicated that municipalities contribute approximately 80% of the bacteria, with the remaining 20% being contributed by industry. Bacteria can be removed from municipal waste without resorting to the construction of full secondary treatment facilities. It has been roughly estimated that bacteria removal facilities for municipal plants on the lower Penobscot would cost approximately \$600,000—a considerable savings over \$15,000,000 for full secondary facilities.

With regard to dissolved oxygen and suspended solids, the reverse is true: industries contribute approximately 80%, and municipalities contribute 20%. Since these types of pollution are responsible for the complete loss of water quality, i.e., smell, turbidity, sedimentation, and elimination of aquatic life, then it is apparent that the elimination of industrial pollution is necessary to achieve a significant increase in water quality. Unfortunately, certain industrial waste treatment processes are extremely expensive and are often beyond the ability of a particular industry to achieve. This would result in either the closing of the industry, or a relaxing of the treatment standards. Perhaps more consideration should be given to Federal financing of industrial wastewater treatment facilities. The present Law appears to be heading in the opposite direction, since industries are now not allowed a cost discount for large volumes to be treated in municipal plants but must pay the same rate as the residential user. Industries are also required to pay special charges based upon their level of BOD, COD, or other pollutants. The Federal Government to a certain extent subsidizes farmers, railroads, and airlines; possibly a subsidy should be considered for industrial pollution abatement facilities.

It is our feeling that the Penobscot River is typical of every other river in the State of Maine, and many rivers in the Northeast, i.e., considerable water volumes, low population densities, and high industrial use. We are certain that if studies similar to the Penobscot River Study were conducted on other rivers, similar results would be shown, and the amount of money being spent for ineffective wastewater treatment facilities would be staggering.

One other provision of the current Law which we feel may deter the construction of treatment facilities is the lack of a reimbursement provision for projects which are prefunded locally. The 1965 Amendment to the Water Quality Act had such a provision, and Bangor was able to proceed with the second phase of our interceptor sewer system, which we prefunded, and were later reimbursed for by the Federal Government. We recently decided to extend the Kenduskeag Stream Interceptor Sewer for a distance of approximately 15,000 feet to the Capehart Treatment Plant, at an estimated cost of approximately \$700,000. However, since there were no Federal funds available, and since we were at least two years away from receiving a Federal grant, we were advised that we would not be reimbursed if we proceeded on our own. Because the project is considered urgent, we have decided to proceed, thereby losing more than \$600,000 of Federal and State funds. We could have delayed this project for approximately two years until funding was available; however, the total cost would have risen to approximately \$800,000, thereby putting an additional strain on available Federal and State funds. It is felt that many municipalities would proceed with projects immediately, at current prices, if they could be assured that they would be reimbursed at a later date. Not only would many millions of dollars be saved, but also clean water goals would be reached sooner.

Finally, we would like to mention a project which has produced very pleasing results: the installation of the Kenduskeag Stream Interceptor Sewer. The initial project, which was completed in 1973, has resulted in a most remarkable increase in the quality of the Kenduskeag Stream through the built-up area of the City. The smell has gone, Spring freshets have removed the scum and algae from the bottom, and the clarity of the water has been restored. The City is now proceeding with plans for the development of a park along the shores, which will be designed both to restore the natural beauty of the shoreline and to make the area available for recreational use by the public.

Again, we are very much interested in the abatement of pollution in the Penobscot River, and the effect that present legislation will have on the achievement of that goal. For this reason, we are extremely interested in any future hearings which may be held relative to this matter, and would like very much to attend, either as participants or as observers.

Yours very truly,

MERLE F. GOFF,
City Manager.

CITY OF BANGOR, MAINE,
April 16, 1975.

Hon. EDMUND S. MUSKIE,
U.S. Senator,
221 Old Senate Office Building,
Washington, D.C.

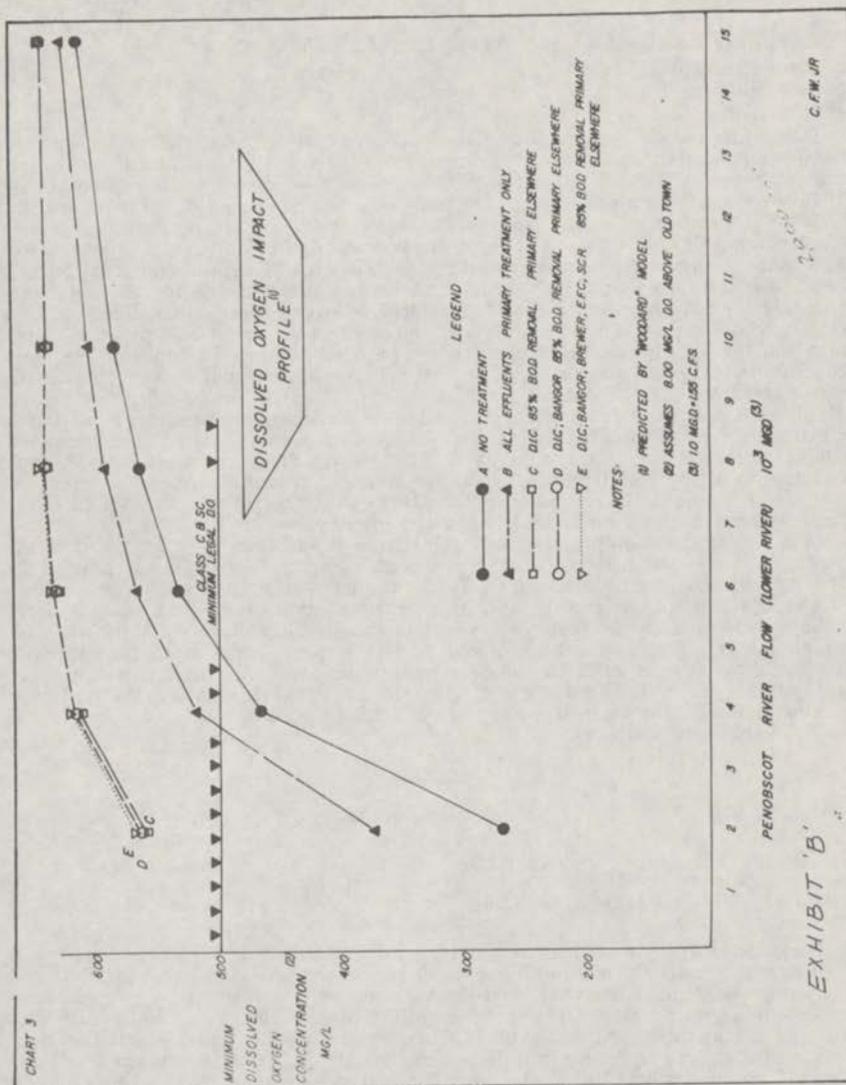
DEAR SENATOR MUSKIE: In our submission to you dated April 15, relative to our experience with the current pollution abatement legislation, we neglected to enclose Exhibits A & B as noted therein.

You will find these exhibits attached for inclusion with our letter.

Yours very truly,

MERLE F. GOFF,
City Manager.

[Attachments (2).]



CITY OF BREWER, MAINE,
April 2, 1975.

Re Gardiner Hearing on Clean Water, April 5, 1975

Senator EDMUND S. MUSKIE,
Senate Building
Washington, D.C.

DEAR SENATOR MUSKIE: The City of Brewer and Eastern Fine Paper Inc. have cooperated in wastewater treatment from the initial planning stages through design, contract award and through the construction process. In September of 1975 we will activate the wastewater treatment facility to jointly treat all of the City of Brewer's wastewater and the wastewater from Eastern Fine Paper Inc. Careful analysis and planning of the needs of the industry and of the City resulted in a plant designed to meet our joint needs. The cost of capital construction has been assigned based upon the design criteria for the mill and for the City and the industry is to pay for 45.7% of the Capital Cost of the Facility. They will do this by reimbursing the City 45.7% of the interest payment and principal payment on the Treatment Plant each time a payment is due. In addition, we have contractually agreed to participate jointly in the operational cost of the wastewater treatment with costs allocated to Flow, to BOD and Suspended Solids, divided between industry and City, based upon continual monitoring at the plant.

After start-up of the Plant in late September, this secondary treatment activated sludge wastewater treatment plant should remove from the wastewater about one hundred fifty (150) cubic yards per week of material now being emptied into the Penobscot River. It seems that this cannot help but effect a significant improvement in the Penobscot River water quality.

It is our understanding that our joint municipal-industry wastewater treatment plant was the last one authorized in the country under this arrangement. It is our understanding that currently the industry must pay not only its share of the local cost of the facility and its operation but must reimburse the federal dollars which are in the form of a grant to the municipality. We think the law which was in effect at the time of our project approval was excellent. Since we have had no experience with the present law we cannot comment favorably or unfavorably upon it. We do believe that the present law would have made our pollution abatement project much more difficult to accomplish.

Very truly yours,

ARTHUR P. DOE, Mayor.

TOWN OF BRUNSWICK, MAINE,
March 31, 1975.

Re Gardiner Hearing on Clean Water
Senator EDMUND S. MUSKIE,
Room 115, Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MUSKIE: Brunswick has not had a cooperative experience with industry in the matter of combining water treatment processes because we do not have any large industries with waste water needing treatment. However, perhaps it should be noted that after some negotiations the Brunswick Sewer District entered into an agreement with the Topsham Sewer District under which Topsham will collect its sewage and pump it to the Brunswick Treatment Plant for treatment. Topsham will be billed a proportionate share of applicable costs based upon flow.

Also, over the past three years the Brunswick Codes Enforcement Office has been working very successfully to locate untreated wastes entering tidewater from shorefront residences and urging the homeowners to install proper treatment facilities. As a result of this activity, certain clam digging flats in the Mere Point area have been reopened to digging.

Very truly yours,

JOHN P. BIBBER, Town Manager.

CITY OF GARDINER, MAINE,
April 7, 1975.

Hon. EDMUND S. MUSKIE,
U.S. Senator, Chairman, Subcommittee on Environmental Pollution, United States
Senate, Washington, D.C.

DEAR SIR: This is to acknowledge and thank you for your very successful
"Clean Water Hearing" for your subcommittee here at Gardiner City Hall.

I am enclosing a letter received from the Mayor, Arthur P. Doe, of the city of
Brewer. I am sorry that this letter did not arrive in time so that I could give it
to you.

Sincerely,

PAUL H. HERMANN, *City Manager.*

GREAT SALT BAY SANITARY DISTRICT,
Damariscotta, Maine, April 5, 1975.

Senator EDMUND S. MUSKIE,
U.S. Senate, Committee on Public Works,
Washington, D.C.

DEAR SENATOR MUSKIE: This letter is in lieu of appearing at the hearing of the
Senate Sub-committee on Environmental Pollution held in Gardiner on April 5.

I represent the Town of Newcastle by delegation of First Selectman, Robert
Baker, and the Great Salt Bay Sanitary District, comprising the Towns of Damariscotta,
Newcastle and part of Nobleboro, of which I am a Trustee.

The Great Salt Bay Sanitary District has detailed designs of a collection and
treatment facility, which meets the requirements of the Maine Bureau of Environ-
mental Pollution. We do not have sufficient subsidy money to proceed with con-
struction under a scheme of financing that would result in a bearable users fee.

Other than receiving sufficient subsidy to proceed with the present plan includ-
ing escalation caused by inflation, two changes in law or administrative procedure
would be advantageous to us.

1. It appears that a less costly remedy might be worked out through the use of a
multiplicity of small treatment plants along the lines of the plan going forward in
Bridgeton, Maine. In order to be attractive, such a plan would have to be eligible
for subsidy.

2. The detailed engineering plans for a conventional facility for Great Salt Bay
were paid for by the Towns of Damariscotta and Newcastle for which they
incurred a debt currently of about \$70,000. Procedures ought to be changed so
that subsidies can be evaluated on the basis of sound engineering feasibility
studies, and Towns ought to be recompensed for expenditures for detailed plans
which may be useless due to obsolescence resulting from (a) new technology, (b)
the long lapse of time between design and financing.

Your truly,

E. L. LAMB,
Vice Chairman, Great Salt Bay Sanitary District.

PHILIP W. HUSSEY, Sr.,
North Berwick, Maine, March 28, 1975.

Senator EDMUND S. MUSKIE,
Senate Office Bldg.,
Washington, D.C.

DEAR ED: I note in today's Portland (Me) Press Herald that on April 5th
your Sub-committee on Environmental Pollution is to hear testimony on Water
Standards particularly in small communities.

We sure have one here in North Berwick and try as we may we have been
unable to get the North Berwick Water Co. to renew outdated filter system.
And worst of all the Public Utilities Commission gives us only a brushoff when
we have several times asked for help. Instead they approved a 27% increase
in rates.

Do hope you have good success.

Sincerely,

PHIL HUSSEY.

Senator EDMUND S. MUSKIE.

DEAR SIR: In answer to the memorandum received from you on Clean Water March 31st, the town of Guilford, Maine has made three surveys for a sewer treatment plant. They hired \$100,000.00 to pay for it. The Government has not reimbursed them as they agreed to so at town meeting the town had to raise \$5,000.00 to pay the interest on the money hired.

The Guilford Industries is working with the town on a treatment plant. They are a fabric industry and are having a very difficult time to keep going.

Yours truly,

MERWIN LANDER, *Selectman.*

167 SECOND STREET,
HALLOWELL, MAINE,
March 31, 1975.

HON. EDMUND S. MUSKIE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MUSKIE: Thank you for the notice of the Gardiner Hearing on Clean Water, which I received today.

Your statement that "federal funds for the clean water program have been released" is most encouraging although confirmation of that fact (in dollars) has not as yet filtered down to our municipal level.

As stated in my letter to you dated 14 March, Hallowell has had its sewer program engineered and practically ready to go for some years now, waiting only for the funds necessary to get it under way. Also, as noted, we are in a bind on the condition of our streets, because major maintenance has been deferred in expectation of the sewer work. The streets are now in such shape that if the sewer program does not become active in the very near future, substantial amounts will have to be spent for repair in spite of the impending sewer work.

As regards "partnership", you may be interested to learn that Hallowell plans to pump its sewage to Augusta for treatment in the plant of the Augusta Sanitary District. This avoids the necessity for a separate and smaller plant in Hallowell which would be relatively much more expensive to build and operate. When Augusta's secondary treatment plant comes along that, too, will handle Hallowell's sewage. I consider this an instance of commendable and economical community cooperation.

This is not yet a "success story", but when funding becomes available and given time to pursue the project I assure you that every effort will be made to achieve that objective.

Thank you for this opportunity to again state our case. With best wishes for a profitable hearing on the 5th I am,

Respectfully yours,

BASIL T. PAYNE,
(*Councilman-at-large, Hallowell City Council.*)

OFFICE OF THE TOWN OF PITTSFIELD, MAINE,
April 1, 1975.

HON. EDWARD S. MUSKIE,
Chairman, Environmental Pollution Subcommittee,
Senate Office Building, Washington, D.C.

DEAR SENATOR: In response to your request for information in respect to our experience concerning clean water requirements, we submit the following:

1. As a result of water quality improvement, Pittsfield has developed long range plans to include the Sebasticook River as an integral part of a recreational area in town.

2. Engineering consultations with local industries reveal no unusual problems requiring special treatment or financial arrangements.

Impoundment of assistance funds has delayed the implementation of our development plans.

We wish to extend our thanks for your efforts in the release of these water quality funds.

Funds have been allotted to Pittsfield and necessary paper work is under way with construction to be started as soon as possible.

Very truly yours,

WILLIAM M. LUNT, Jr.,
Town Manager.

TOWN OF ROCKPORT, MAINE,
April 2, 1975.

Re Gardiner hearing on clean water
Hon. EDMUND S. MUSKIE,
115 Russell Office Building, U.S. Senate,
Washington, D.C.

DEAR SENATOR MUSKIE: The Town of Rockport has made every effort to comply with the Clean Water Act. In 1965 the Town voted to have a preliminary plan completed and this was accomplished. In 1974 the Town received a grant and we are in the process of doing a second preliminary plan, the first being outdated and incomplete by current standards.

It is very frustrating as a town official to have to continue to explain to people that a schedule for compliance and clean-up cannot be set up because of lack of funds.

More importantly the State Department of Environmental Protection has granted numerous licenses for "package" treatment plants in Rockport which we will be able to supervise in the future only with difficulty and great cost.

Delays have caused unnecessary expenditures by residents who want to reduce the pollution problem but can only solve their problem on a short term basis.

I hope this information helps explain our difficulties.

Sincerely,

E. MAYNARD GRAFFAM,
Chairman, Board of Selectmen.

SOUTH BRANCH LUMBER CO.,
Howland, Maine, April 3, 1975.

Senator EDMUND S. MUSKIE.

DEAR SIR: In reference to your memorandum on, the Gardiner Hearing on clean water.

At the present time the Town of Howland receives their water supply from the Piscataquis River. This supply was installed in the year of 1924 with a few small pipe lines being added over the years. On the up-river side, we have raw sewage running into the river. We also have the flow from the Great Northern Paper mills and the Lincoln Pulp running into our water supply.

A few years ago, our major industry, the Tannery, closed leaving approximately 300 people jobless and loss of \$2,6000 in taxes to the town. Now, we have sold the buildings to the Lincoln Pulp and Paper company and we are in hopes that this will develop into a new industry for the town.

The town of Howland is trying to form a water district. In 1974, we had a water survey by Wright, Pierce & Barnes (at a cost of \$9500) through our Revenue Sharing. They came up with a cost of \$1,100,000 to give us the proper water supply and fire protection (force and supply). We mention fire protection due to the fact that at the present Howland has to pay 85% on insurance cost, whereas a town such as Dover-Foxcroft only has to pay 35% for their protection. The difference in rates being that Dover-Foxcroft does have ample force and supply.

Without help from some other source, small towns such as ours (1440 pop.) would not be able to have the water project.

I wish to thank you for notifying me of the Hearing and also giving me the opportunity to express my opinions.

Yours truly,

ELIEM L. SAGE,
South Branch Lumber Co.

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