



3 RIVERS PROUD

Since 2013, ALCOSAN has been negotiating with its regulatory agencies – the United States Department of Justice, the United States Environmental Protection Agency, the Pennsylvania Department of Environmental Protection and the Allegheny County Health Department – to modify our earlier agreement to reduce sewer overflows into our rivers and streams.

ALCOSAN first entered into a consent decree in 2008 and completed the required plan in 2012. Although comprehensive, the public challenged the authority to make the plan more affordable for ratepayers yet flexible enough to take advantage of advances in the field of green stormwater and wastewater management. In order to meet that question, further negotiations were necessary.

There is no easy fix. Our problem is serious and large – billions of gallons of diluted, untreated

wastewater overflow into our rivers and streams annually. The solution is comprehensive. We will be removing (7) seven billion gallons of combined sewer overflow every year. That work is necessary to ensure our rivers and streams remain the community asset that they are today. In order to offset the cost of the required improvements, rates will be increased.

We have reached a consent decree that meets the challenges from the public while also meeting the regulatory requirements of the Clean Water Act.

Affordable. Keeping the cost of the Clean Water Plan as affordable as possible for the majority of our system users is important. Because of the changes contained in this amended consent decree, the cost has been spread out over a longer period of time. Additionally, the authority has been more proactive with its own finances to keep the costs down. We know that the new rates may still be out of reach for some. In 2016, the ALCOSAN Board of Directors created the Clean Water Assistance Fund, administered by the Dollar Energy Fund, to help homeowners with their wastewater treatment bills. One million dollars (\$1,000,000) is set-aside each year by ALCOSAN for the program.

Adaptable. The plan allows ALCOSAN and its customer municipalities to use the best technology, including green stormwater infrastructure. We will be able to adapt our planning based on how the systems perform. This is a significant component of the Clean Water Plan. ALCOSAN will continue working with its customer municipalities to reduce the

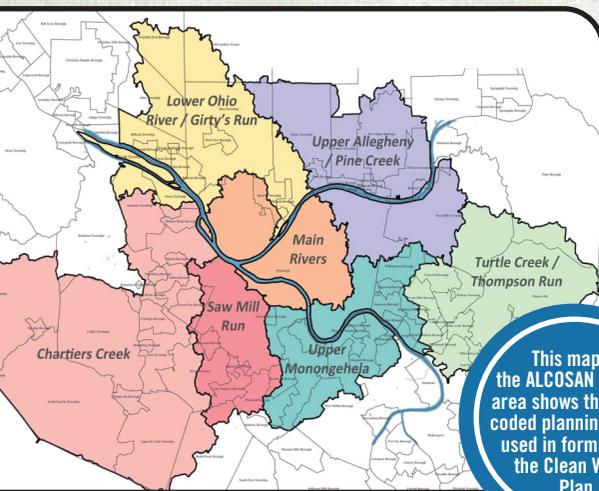


The Clean Water Plan is ALCOSAN's approach to reducing Combined Sewer Overflows (CSOs) like this

amount of stormwater and groundwater entering the collection system using a variety of green and gray technologies.

Regional. ALCOSAN will be assuming the responsibility for the largest sewers and sewer facilities in the service area. This reduces the financial burden on municipalities and allows ALCOSAN to more directly manage and reduce excess flows into the system. This will be accomplished by the authority assuming ownership and maintenance of at least 200 miles of large, multi-municipal trunk sewers and associated facilities by the end of 2020. The current system encompasses 90 miles.

The Clean Water Plan also calls for ALCOSAN's North Side plant to expand. As a result, the current capacity of 250 million gallons per day will be increased to 480 million gallons per day by the end of 2025 and to 600 million gallons per day by the end of 2027. This additional capacity will assist with reducing the number of overflows caused by excess stormwater and groundwater entering the system.



This map of the ALCOSAN service area shows the color-coded planning basins used in formulating the Clean Water Plan

This plan includes the Green Revitalization of Our Waterways (GROW) grant program available to our customer municipalities for source reduction and green infrastructure solutions. It also includes the construction of large conveyance systems which can hold excess flow.

Our GROW program is in its fourth cycle with over \$22 million of grant awards for 80 projects distributed among 38 member municipalities and municipal sewer authorities. This investment has leveraged another \$25 million in municipal, authority and third-party funding for projects that are projected to remove 127 million gallons of water from the system.

The work that we will be doing in the coming years is vital to this region. Follow our progress at www.alcosan.org or 3riversproud.com. If you do not have access to our website or would like a presentation to your group, please contact ALCOSAN's Communications Division at 412-734-6274 or at public.relations@alcosan.org.



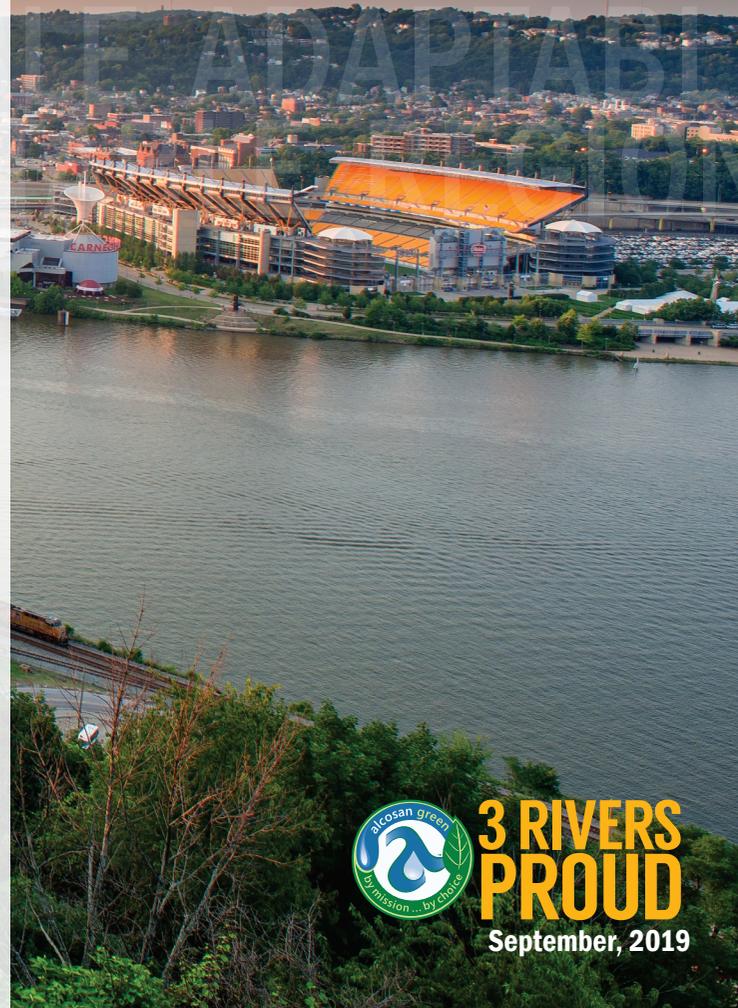
ALCOSAN's GROW program has helped fund municipal projects projected to reduce overflows by 127 million gallons annually

ALCOSAN
3300 Preble Avenue
Pittsburgh, PA 15233
(412) 766-4810
www.alcosan.org



ALCOSAN'S MODIFIED CONSENT DECREE & CLEAN WATER PLAN

The Plan and the Path Forward



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September, 2019