In Wake of Elk River Spill, Tighter Regulation of Chemical Storage Tanks Passes the Senate

The bill, passed by the Senate and entitled the Chemical Safety and Drinking Water Protection Act of 2014, would bolster the Safe Drinking Water Act, addressing deficiencies in the law exposed by a chemical spill at a Freedom Industries facility. The bill requires the primary regulators of public water systems to develop programs that provide oversight and inspection of covered chemical storage facilities and prevent releases into watersheds with public water systems that rely on surface water. These programs will require facilities to have leak detection systems, employee safety training, and emergency response and communications plans. The primary regulator will also have to provide public water systems with an inventory of chemicals in the watershed and emergency response plans to any such chemical spills. While it’s encouraging to see movement on tightening safety standards for above ground chemical storage tanks, time will tell whether the MCHM-laced water from West Virginia will raise safety concerns about its new home in Ohio and other injection wells around the country.

Want Business? Look for Water

While it really isn’t news that it takes water to do business—and to live for that matter, but just how urgent the issue of water supply is to global business was recently noted at the World Economic Forum and now is the subject of a piece in the Scientific American. Take a look.

To Fight Invasive Species Led by the Dreaded Asian Carp, Superheroes Governors Join Forces

While the Council of Great Lakes Governors has existed for decades, they had not been able to agree on how to defeat the Bighead and Silver species of Asian Carp. These invasive species have come to dominate the waters up the Mississippi River since they were introduced in the 1970s by Southern fish farmers. On Saturday, the Council and the leaders of two Canadian provinces agreed to share staff and expertise to do what they can to stop the destruction of their collective fishing industry from the invasive species. Governors of Illinois and Iowa are still resisting an Army Corps study that proposes shutting down the Chicago River, which is thought to be the main channel through which the Carp and other invasive species can access the Great Lakes. A recent study, however, indicates that such an action could turn out to be a modern day Maginot line while decimating economies dependent on the Chicago River for navigation.
Ethics Board Throws Wrench in Sewerage & Water Board’s Search for Executive Director
The State’s ethics board recently released a draft opinion on whether the Sewerage & Water Board could hire Deputy Mayor of New Orleans Cedric Grant without violating state ethics laws. The law at issue says that a member of a board or commission must sit out for two years before taking any job or appointment by that board or commission. The question then boils down to whether Grant was in fact a board member within the last two years. Grant had served as Mayor Mitch Landrieu’s proxy on the board for three years before his designation ended last year. Grant isn’t officially disqualified, so we will be following the story closely, as will the S&WB’s second choice, vice president at Entergy Services, Inc., Tracie Boutte.

California Governor Starts to Sound like Broken Record; We Go Back to the Basics
Despite some minor relief in recent weeks, California Governor Jerry Brown issued a second emergency drought proclamation in three months last Friday as drought expands to cover 100% of California for the first time in 15 years. The governor signed an executive order doubling-down on conservation measures but also rolling back some environmental protections and facilitating voluntary water transfers to farmers. The executive order also shortens the application process for parched farmers, lifts some public bidding requirements for cities that need to expand their water systems, and bans neighborhood associations from fining for brown lawns. Meanwhile, on the local level, some towns are sending employees to roam the streets, looking for water wasters. Since this might not seem like new news for some of our readers, let us take the opportunity to highlight some recent articles that take a hard look into the history of water rights in California and the unknown number of agencies that supply the water.

The Beauty of Water is in the Eye of the Beholder, well, Shareholder, Really
If you’re reading this newsletter, then you have probably heard the analogies that water is the new gold or oil. It turns out these analogies weren’t just hyperbole. CNN reports that “over the past 10 years the S&P 500 Global Water index has outperformed the bellwether gold and energy indices.” Water has done better than the stock market over the past 10 years too, and Bank of America Merrill Lynch projects business will grow from $600 billion to $1 trillion over the next 6 years. The water market can be broken into four submarkets: management, treatment, infrastructure and supply, and “water-friendly” energy companies. While this should not be construed as financial advice, don’t forget to remember us when the dividends start rolling in.

Bayou St. John Expected to Get New Pace-Maker to Improve Flow and Health of Historic Water Body
Crucial to the founding of New Orleans nearly 300 years ago, Bayou St. John didn’t fair too well in the latter half of the 20th century. The installation of a flood control structure at its mouth near Lake Pontchartrain as well as a fountain at Robert E. Lee significantly cut off flows. The fountain was removed last year, which had been described by Louisiana Department of Wildlife and Fisheries’ Mark Schexnayder as a “99 percent coronary blockage. Now, a schedule for regularly opening the flood control structure will be announced next month barring any unforeseen results from elaborate ongoing monitoring. These regular openings are expected to vastly improve recreation and fishing. Even if we jinx it here and regular openings don’t start next month, a nod must be given to the coalition of dedicated people, organizations, and agencies that battled the odds to restore this local treasure.