



House Republican Policy Committee Affordability Hearing

Thursday, October 15, 2026, Mount Aloysius College

Topic: The Affordability Impact of DEP's Proposed Revisions to General Permits PAG-07, PAG-08 and PAG-09

Good morning, Chairman Rowe, Representative Rigby and members of the Committee, thank you for the opportunity to testify. My name is Peter Price, and I am a Technical Services Director for Synagro. We are the largest residuals recycler in the nation and function as an extension of our publicly owned water and wastewater infrastructure.

Across Pennsylvania, families are facing an affordability crisis. We often read about housing, energy, and groceries, but safe, reliable wastewater service is becoming harder to afford as well. You just heard from Galliker Dairy about a 50 percent commercial sewer rate increase. That is what these costs look like today. The draft permits for beneficial reuse will only compound rates for local companies like Galliker Dairy and citizens of the commonwealth.

Ultimately, should these General Permit revisions become effective we anticipate a significant impact on municipal wastewater and sewer rates throughout the Commonwealth. As land base for biosolids is eliminated through the permit revisions, the only alternative would be the landfilling of biosolids. Landfill capacity for these materials is extremely limited, and the General Permit revisions will create a premium cost to dispose of the materials in this manner. Municipalities will be forced to pass through the costs of this unfunded mandate to households, or to truck or rail the materials out of state at an even greater cost to the municipal entity.

In 2021, Representative Rigby sponsored House Resolution 149, directing the Legislative Budget and Finance Committee to estimate the costs municipalities would incur under the proposed changes. DEP objected that the study was premature, because these were only pre-draft ideas. That objection is the crux of this issue. By avoiding the formal rulemaking process, robust dialog and input from our legislative branch and ratepayers were bypassed.

In the formal rulemaking process, the Independent Regulatory Review Commission (IRRC) reviews the costs of compliance. The general permit process has no such step, and it moves fast. Once DEP published the draft permits for comment, the sun set on any meaningful cost study. That is why the study had to be requested early. DEP warned that a study would cause delay. Yet



these permits have been administratively extended for over a decade, and DEP now wants to finalize the new requirements in six months.

The Legislative Budget and Finance Committee study went forward. Its 2023 report found that surveyed facilities expected sewage rate increases of 2 to 25 percent under the earlier proposals. The revisions are no longer hypothetical, the published permits diverge not only from the Pre-Draft Permits, but the PA Code regulations. Rulemaking by permit does not require a cost benefit analysis. The General Assembly asked for the evidence, got it, and these permits are moving ahead without answering it.

DEP says biosolids should be managed like animal manure. But biosolids are already regulated far more stringently than manure. The suggestion that the industry wants lesser standards is unfounded. The issue is the mechanism and tools. The Phosphorus Index was designed to guide manure management decisions on farms where the manure is produced. It was not built as a regulatory gatekeeper for biosolids. Applied that way, a farm may receive only a small number of applications before its prohibited by the index, further limiting nutrient options for farmers facing record fertilizer prices. A Brown and Caldwell study commissioned by the Mid-Atlantic Biosolids Association warns that using a source coefficient that doesn't reflect actual phosphorus bioavailability would cause serious disruption.

This is where affordability breaks down. Biosolids are produced every day but can only be applied when weather, crop windows, and soil conditions allow, so farmers need on-farm storage as a best management practice. That is a major capital investment, of \$60,000 to \$80,000, and it pays off only if the farmer can beneficially recycle biosolids for many years. If the index limits farms to a few applications, the return disappears. Farmers receive biosolids voluntarily. When it fails to pencil out, they stop, and beneficial reuse becomes disposal in landfills with limited capacity and increased costs. These increases will be passed on to every citizen of the Commonwealth.

Pennsylvania land applies about 760,000 tons of biosolids a year. Even if every landfill accepted biosolids at 5% of intake, they could absorb only about 285,000 tons. If new permit requirements displace just over a third of that amount, the rest have nowhere to go but out of state.

Current average contract price is about \$50 per wet ton for land application and \$80 for landfilling. In eastern Pennsylvania, tip fees have doubled in five years to \$135 per wet ton, before transportation costs are considered. Biosolids management can be 30 percent or more of a utility's operating budget, and the study estimates increases in the tens of millions of dollars annually.



DEP assumes that new restrictions mean less pollution. The study estimates that moving land-applied biosolids to landfills would generate 260,000 metric tons of greenhouse gas emissions a year.

DEP's position is that general permits are a convenience, and that anyone who dislikes the conditions can apply for an individual permit. It is a slower, costlier path and it's why the current general permits were developed. Individual permits were abandoned because their approval timeline was measured in years. DEP's chosen process is draft, comment, and response, with no IRRC review, no required economic analysis, and no legislative oversight or directive. Permit requirements that function as regulations are being adopted without the review regulations must receive. No vote, no IRRC review, no cost benefit analysis. Just an unfunded mandate and the bill goes to the people of the Commonwealth.

We ask you to request DEP to explain why these new requirements were enacted as permit conditions and not by legislative directives as we've seen in Maryland and Virginia. Second, require an updated cost analysis, building on the LBFC study, that covers ratepayers, landfill capacity and associated increased haul distance to out of state landfills, and environmental impacts of increased emissions from transportation and fugitive landfill emissions. Third, consider legislation requiring permit conditions with the force of regulation to go through the Regulatory Review Act.

We can protect our water resources and keep Pennsylvania affordable, but we must be realistic about the means. Thank you. I'm happy to answer questions.