
S T A T E M E N T

May 11, 2005, 11:30 a.m.

Lehigh County Industrial Wastewater Pretreatment Plant

Aurel Arndt, General Manager, Lehigh County Authority

Lehigh County Authority is pleased to partner with the County of Lehigh to ensure long-term pretreatment and wastewater service in western Lehigh County. The County has asked us to consider assuming responsibility for this plant, and after lengthy discussions our Board has agreed that the County's request has real merit.

Lehigh County Authority has a 35-year track record of providing affordable water and wastewater services that meet the needs of western Lehigh County. Having LCA assume responsibility for pretreatment service at this plant represents another step forward in meeting the long-term wastewater needs of this area.

LCA owns and operates the regional wastewater system that serves ten municipalities in western Lehigh County. This system, made up of wastewater interceptors and pump stations, collects municipal waste and transports it to the City of Allentown for final treatment and disposal.

Part of our system runs through Upper Macungie Township, both upstream and downstream of this pretreatment plant. Raw wastewater enters the pretreatment plant from LCA's interceptor, and partially treated waste from the plant is discharged back into LCA's interceptors for transmission to Allentown's wastewater treatment plant.

A guiding principle throughout the negotiations between LCA and the County has been to protect LCA's current water and wastewater customers from any adverse rate impacts from this transfer. We believe the Agreement we have developed with the County achieves that goal and brings the possibility of improved efficiency and economy to both the pretreatment plant and other LCA customers.

It should be noted that the Agreement between LCA and the County is just the first step in transferring responsibility to LCA. To make it effective, LCA will need to reach agreements with others, including Diageo, the owner of the former brewery in Fogelsville and the largest customer of the pretreatment plant. Those discussions with Diageo and other key stakeholders are already under way and we look forward to their conclusion in the near future.

In the coming months, LCA will work with other stakeholders, including the current plant operators, customers and municipalities served by the Western Lehigh Interceptor to ensure a smooth transition can take place. Our Board and team of 35 employees are committed to providing high-quality, efficient pretreatment service to the western Lehigh community. We are very excited about this step to advance regional water and wastewater service in Lehigh County and look forward to building upon it. We would be happy to answer any questions you may have.

Thank you for joining us today for this announcement.