

***Resolution Regarding Small Drinking Water System Viability***

**WHEREAS**, In order for a utility to provide safe and reliable service at affordable rates, it must remain viable; *and*

**WHEREAS**, The viability of many small water systems is threatened by deteriorating infrastructure, more stringent drinking water quality standards, and under-capitalization; *and*

**WHEREAS**, One means for insuring viability of small water systems is for each State public utility commission to adopt a Small Drinking Water System Viability Policy Statement; *and*

**WHEREAS**, Said Small Drinking Water System Viability Policy Statement should: define a viable water system; encourage coordination between the State public utility commission and other appropriate State agencies involved in safe drinking water programs; discourage the formation of new nonviable water systems; and encourage the restructuring of existing nonviable water systems; *and*

**WHEREAS**, An interagency Memorandum of Understanding is the most effective tool to facilitate coordination between the State public utility agencies and other State agencies involved in safe drinking water programs; *now, therefore, be it*

**RESOLVED**, That the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), convened at its 1994 Summer Meetings in San Diego, California, endorses the adoption of a Small Drinking Water System Viability Policy Statement by State public utility commissions; *and*

**RESOLVED**, That the NARUC Executive Committee strongly encourages formalizing an interagency Memorandum of Understanding between the State public utility agencies and other State agencies involved in safe drinking water programs.

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*Sponsored by the Committee on Water  
Adopted July 27, 1994*