

Written Statement on FY 2022 Requests
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
United States Senate
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Thank you for the opportunity to present our FY 2022 funding requests for programs administered by the U.S. Environmental Protection Agency (EPA). The WaterReuse Association (WRA) is a not-for-profit trade association for water utilities, businesses, industrial and commercial enterprises, non-profit organizations, and research entities that engage in and on water reuse. WRA and its state and regional sections represent more than 200 water utilities serving over 60 million customers, and over 300 businesses and organizations across the country. WRA's mission is to engage its members in a movement for safe and sustainable water supplies, to promote acceptance and support of recycled water, and to advocate for policies and funding that increase water reuse.

As climate change accelerates, and its associated adverse impacts on water resources increase, it is vitally important that the nation invest in water recycling to build resilience, manage energy demands, support public and environmental health, and ensure America's economic prosperity. Investments in water recycling ensure reliable and resilient community water supplies, support sustainable economic development, and help protect our rivers, lakes, streams, aquifers and wetlands.

In Virginia's tidewater region, Hampton Roads Sanitation District is pursuing a multi-benefit water reuse program called the Sustainable Water Initiative for Tomorrow (SWIFT). HRSD's SWIFT project treats wastewater effluent to drinking water standards and reuses it to recharge the regional aquifer. The investment of \$1.1 billion in capital outlays provides critical public health, environmental and economic benefits by replenishing the overdrawn Potomac Aquifer, recharging 100 million gallons per day (MGD) of fresh water at full implementation, providing a reliable safe water supply to support the region's population and the nation's critical military assets, and generating nutrient credits that HRSD can trade - providing an estimated savings of \$1.5 billion for 11 counties across the region. EPA investment programs have provided critical capital to help move this large project forward.

In Florida's Tampa Bay Region, Hillsborough County's Saltwater Intrusion and Aquifer Recharge Program (SHARP) is creating a hydraulic barrier to saltwater intrusion between the Bay and the region's drinking water aquifer. At a cost of \$20 million, SHARP is yielding significant climate-resiliency benefits by protecting the region's freshwater aquifer from sea level rise and saltwater intrusion, reducing pumping costs and energy use by raising groundwater levels and increasing pressure in the potable freshwater aquifer, generating water supply credits that offset the project's cost, and supporting seagrass and fishery recovery efforts by reducing nutrient and other effluent loadings.

In Texas, El Paso Water is using water recycling and saline groundwater desalination to produce a drought-resilient, cost-effective, and reliable water supply to support a vibrant local economy. Compared to the next best alternative (importing groundwater), El Paso's water reuse program is reducing energy use by 3.6 million MWH over the planning period, shrinking the agency's carbon footprint by nearly 700,000 MT of carbon emissions over a 50-year period, and addressing affordability challenges related to imported water by saving more than \$1.2 billion, or 74 percent.

In Southern California's Chino Basin, local leaders developed the Optimum Basin Management Program (OBMP) to address the region's water challenges. At its core, the OBMP is a water reuse program with other key components facilitated by water recycling. The OBMP generates energy savings in excess of 5.8 Billion kWh over 30 years by relying on local resources rather than energy intensive water imports, saves ratepayers an estimated \$2.4 billion in water supply costs (a 153 percent return on investment), and restores instream flows and water quality in the Santa Ana River, returning a surface water supply to downstream Orange County and replenishing and improving water quality in the Chino Groundwater Basin.

These are just a few examples of innovative, successful water recycling projects from around the country. As you begin the FY 2022 appropriations cycle, we urge you to make the following investments to support water recycling as a resource management tool:

Programs Authorized in America's Water Infrastructure Act (AWIA) of 2018

Agency: U.S. Environmental Protection Agency
Account: State and Tribal Assistance Grants (STAG)

We request the following amounts for FY 2022 for three programs authorized in AWIA:

- \$5 million for SEC. 2005 – Drinking Water Infrastructure Resilience and Sustainability Program
- \$5 million for SEC. 2007 – Innovative Water Technology Grant Program
- \$60 million for SEC. 4106 – Sewer Overflow and Stormwater Reuse Municipal Grants

These three programs were created in the America's Water Infrastructure Act of 2018. In FY 2020, Congress provided first-time funding for all three programs: \$3 million for Sec. 2005, \$1 million for Sec. 2007, and \$28 million for Sec. 4106. Congress increased funding for each the following year. We thank you for these important investments, and urge you to build upon them in FY 2022.

These programs will provide tools and resources to support innovation in addressing unique local challenges in water supply and water quality, including practices involving the use of recycled wastewater effluent, captured stormwater, and other alternative water sources in all states.

Clean Water State Revolving Fund

Agency: U.S. Environmental Protection Agency
Account: State and Tribal Assistance Grants (STAG)

The successful Clean Water State Revolving Fund (CWSRF) program is the primary source of federal financing assistance for clean water infrastructure. The CWSRF is an important tool used across all 50 states and in communities of all sizes to help communities make investments more affordably. Our nation's water infrastructure faces significant infrastructure investment challenges with utilities challenged to maintain and upgrade aging infrastructure, comply with federal obligations, protect public health and serve as environmental stewards in their community – all while maintaining affordable rates for critical services. A significant increase in funding for the CWSRF would help communities meet these growing needs. We therefore request \$3.4 billion in FY 2022.

Water Infrastructure Finance and Innovation Program

Agency: U.S. Environmental Protection Agency
Account: Water Infrastructure Finance and Innovation Fund

The Water Infrastructure Finance and Innovation Program accelerates investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects. EPA estimates that a \$50 million Water Infrastructure Finance & Innovation Act (WIFIA) appropriation can be leveraged into \$5 billion in low-interest federal loans and \$10 billion in new water infrastructure projects. A small increase in appropriated dollars for this program can go a very long way toward advancing water reuse and recycling across the country. Already, WIFIA has made major investments in innovative water recycling projects, and we expect to see this trend continue into the future. We therefore request a \$5 million increase to \$70 million in FY 2022 for the Water Infrastructure Finance and Innovation Program.

Drinking Water State Revolving Fund

Agency: U.S. Environmental Protection Agency
Account: State and Tribal Assistance Grants (STAG)

Following the 1996 Amendments to the Safe Drinking Water Act, Congress demonstrated its commitment to safe drinking water and economic growth by investing more than \$19 billion into 13,800 drinking water improvement projects nationwide. These investments have been matched nearly 2:1 with non-federal dollars. Despite the large investment, the need for drinking water infrastructure improvements far exceeds available dollars. An increase in FY 2022 would support the development and modernization of critical infrastructure to meet America's future drinking water needs. We therefore request \$2.32 billion in FY 2022 for the Drinking Water State Revolving Fund.

National Priorities Water Research Grant Program

Agency: U.S. Environmental Protection Agency

Account: Science & Technology

The water sector in the United States is vital for supporting healthy families and thriving communities. Today, the water sector is facing unprecedented challenges, including extreme drought, catastrophic flooding, failing infrastructure, emerging contaminants, and dramatic changes in population. Water research will play a critical role in developing cost-effective solutions to these challenges to ensure thriving, resilient communities, create jobs, and support healthy families. In recent years, Congress has appropriated hundreds of millions of dollars for EPA research, but less than 15 percent of EPA's Science and Technology Account funding is dedicated to water related research. Less than 1 percent of these funds supports applied research for water utilities. We therefore request an increase in funding to \$20 million for the National Priorities Water Research grant program in order to better reflect the urgent research needs of the water sector.