

January 3, 2022

The Honorable Camille Touton Commissioner, Bureau of Reclamation U.S. Department of Interior

Dear Commissioner Touton:

As you work to implement the historic Infrastructure Investment and Jobs Act (IIJA), we write to offer our support and partnership and to highlight several key implementation items.

The WateReuse Association is a not-for-profit trade association for water utilities, businesses, non-profit organizations, and research entities that advocate for policies and programs to advance water recycling. WateReuse and its state and regional sections represent nearly 250 water utilities serving over 60 million customers, and over 200 businesses and organizations across the country.

WateReuse and our members were deeply involved in the development and enactment of the IIJA. We worked closely with Congress to ensure that the legislation supports water recycling as a resiliency tool. As the only national organization solely dedicated to advancing water reuse, we make the following recommendations regarding IIJA implementation:

Recommendation #1: Prioritize outreach and education to entities eligible for Title XVI and the large-scale water recycling projects grant program, and partner with stakeholder groups to leverage their expertise, resources, and networks.

As you know, the IIJA provides \$550 million for the Title XVI Water Reclamation and Reuse Grants Program (SEC. 40901), and \$450 million for a new competitive grants program for large scale water recycling projects (SECS. 40901 and 40905). Given the three-fold increase in funding for water reuse relative to prior years, it is critical that eligible entities are made aware of these new funding opportunities along with any relevant selection and eligibility criteria and information about how to prepare and submit feasibility studies and grant proposals. We urge you to invest in education and outreach accordingly.

Recommendation #2: Allow completed Title XVI-WIIN feasibility studies to qualify as meeting the feasibility study requirements of the large-scale water recycling projects program.

Projects that meet the statutory eligibility criteria for the large-scale water recycling

President Gilbert Trejo El Paso Water, TX

Vice President Craig Lichty Black & Veatch, CA

Treasurer Karen Pallansch Alexandria Renew Enterprises, VA

Secretary Bart Weiss Hillsborough County Public Utilities, FL

Past President Paul Jones, II Eastern Municipal Water District, CA projects program should not have to have feasibility studies approved twice by the Bureau of Reclamation. If a project feasibility study has already been approved by the Bureau through the Title XVI process and the project would qualify for the large-scale water recycling program, then the feasibility study approved for Title XVI should automatically be approved for the large-scale water recycling projects program.

Recommendation #3: Exercise authority to adjust the per-project funding cap for Title XVI-WIIN to account for inflation.

The Reclamation Recycling and Water Conservation Act of 1996 sets the Title XVI program's perproject funding cap at \$20 million *in October 1996 prices*. The law states: "[...]the Federal share of the costs of each of the individual projects authorized by this title shall not exceed \$20,000,000 *(October 1996 prices).*" \$20 million in 1996 equates to roughly \$35 million in today's dollars. Given the 70 percent increase in funding for Title XVI included in the IIJA, now is the time for the Bureau to exercise this authority in accordance with congressional intent. A per-project funding cap of roughly \$35 million for Title XVI-WIIN is appropriate and urgently needed given the commensurate increases in project construction costs that have occurred over the past 25 years. Exercising this administrative discretion will enable the Bureau to meet the increased demand for recycled water that will help the West cope with drought and climate change more effectively and expeditiously.

Recommendation #4: Provide water recycling projects a general applicability waiver from certain Build America, Buy America requirements based upon the public interest criterion for manufactured products established in the IIJA.

Section 70914 of the IIJA establishes expanded Build America, Buy America mandates for programs across the Federal Government. The legislation also gives administering agencies the authority to grant general applicability waivers if the application of new mandates would have impacts that are inconsistent with the public interest. As you work with the Office of Management and Budget (OMB) to administer Build America, Buy America mandates, we urge you to ensure that guidance and implementation decisions reflect the unique circumstances that guide water recycling infrastructure projects.

The Bureau should seek to provide needed flexibility to avoid delaying projects or hindering a utility's ability to use advanced water treatment technologies. Water recycling projects directly advance the public interest by both improving water quality and providing a sustainable water supply, which is becoming increasingly urgent as Western states grapple with impacts of a changing climate. The Bureau should therefore provide a general applicability waiver for water reuse projects consistent with the law's public interest criterion; doing so will ensure that the water recycling community can deliver on the Administration's commitment to address climate resiliency and provide safe and reliable water services for all Americans.



Recommendation #5: Participate in the newly authorized Interagency Working Group on Water Reuse.

Section 50218 of the IJJA directs the U.S. Environmental Protection Agency (EPA) to establish an Interagency Working Group on Water Reuse "to develop and coordinate actions, tools, and resources to advance water reuse across the United States." We encourage the Bureau to actively participate in the Interagency Working Group once it has been established by EPA. Given the Bureau's long-time leadership role in the area of water recycling, we ask that you help guide the Working Group as it seeks to break down silos and align and leverage programs and resources across the federal family.

Thank you for considering our views as you develop implementation plans for IIJA's infusion of \$1 billion for water reuse and recycling. WateReuse looks forward to working with you and your team to implement these programs and to bring about the implementation of many new climate-resilient water recycling projects across the West.

Sincerely,

Patricia Sinicropi Executive Director

