Written Statement on Senate Budget Committee Hearing

Droughts, Dollars, and Decisions: Water Scarcity in a Changing Climate

U.S. Senate Committee on the Budget

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On behalf of the WateReuse Association and our hundreds of member entities across the country, I submit the following statement for the record for the recent Senate Budget Committee hearing, *Droughts, Dollars, and Decisions: Water Scarcity in a Changing Climate*. WateReuse Association 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 recycling. WateReuse 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. Our mission is to advance safe and sustainable water supplies, to promote acceptance and support of recycled water, and to advocate for policies and funding that increase water reuse.

Today's hearing by the U.S. Senate Budget Committee highlighted the critical role that water recycling plays in ensuring a sustainable water future for our communities. In recent years, droughts have brought severe conditions including wildfires, heat waves, severely depleted water sources, and reduced crop production across the country. Conditions in the West were recently at their driest point in 1,200 years, and despite recent rain events and increased snowpack, will almost certainly worsen in the coming years. In parts of Pennsylvania, Illinois, and New England, communities have faced significant and even extreme drought conditions. Across the mid-Atlantic, Midwest, and other regions of the country, communities are investing in water reuse to mitigate current and protect against anticipated groundwater shortages.

As water supply and water quality challenges intensify, the nation must 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 economic development, and help protect our rivers, lakes, streams, aquifers and wetlands.

Water reuse is a long-standing practice in supply-constrained areas in the West. However, water reuse is also now common practice in other parts of the country, where communities are turning to reuse to recharge strained aquifers and meet other needs. The drivers for water reuse are many, including stringent discharge regulations and a need to reduce pollutant loads to

receiving waters. Communities are also turning to reuse to manage a range of stormwater challenges.

To help communities build resilient supplies and protect water quality, Congress authorized the Pilot Program for Alternative Water Source Grants as part of the Infrastructure Investment and Jobs Act of 2021. Through the program, EPA will make competitive cost-share grants to state, interstate, and intrastate water resource development agencies to engineer, design, construct, and test alternative water source systems, including water reuse systems.

By investing in the Pilot Program for Alternative Water Source Grants, Congress can begin to give communities in all 50 states plus the District of Columbia and Puerto Rico the tools and resources they need to protect public health and the environment, support economic development, and create long-term solutions for future generations. The WateReuse Association therefore urges Congress to invest in the Pilot Program for Alternative Water Source Grants, Section 220 of the Federal Water Pollution Control Act (33 U.S.C. 1300), in FY 2025.

In addition to funding the Pilot Program for Alternative Water Source Grants, which would become the first nationwide program dedicated to advancing water reuse, Congress should maintain robust funding for the Bureau of Reclamation's Title XVI-WIIN Water Reuse Grant Program (projects as authorized in section 4009(c) of the WIIN Act, Public Law 114-322). The Title XVI-WIIN Water Reuse Grant Program provides federal cost share for water recycling projects in 17 Western states. The program has helped communities across the West build drought resilience, keep nutrients and other pollutants out of sensitive waterways, save billions of dollars relative to importing water, and grow sustainable economies. It is a key economic and resiliency tool.

Lastly, three EPA loan programs—the Clean Water State Revolving Fund (SRF) Program, Drinking Water SRF Program, and Water Infrastructure Finance and Innovation Act (WIFIA) Program—support water recycling projects across the country. WateReuse urges Congress to increase investments in all three loan programs. Small increases in appropriated dollars for the WIFIA program generate large increases in available loan capital for large, regionally significant water reuse projects.

As with the WIFIA program, communities have turned to the SRF programs for low-interest financing for important water infrastructure projects, including water reuse projects. In recent years, however, annual appropriations for state SRF capitalization grants have decreased as a greater proportion of SRF funding is earmarked for congressionally directed spending projects. WateReuse urges Congress to increase funding for SRF capitalization grants in FY 2025 and to find an alternative pathway to funding congressionally directed spending projects. The current process of funding earmarks from within funding for state capitalization grants threatens the long-term viability of the state revolving loan programs.

Examples of Water Recycling from Around the Country

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.

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 and addressing affordability challenges related to imported water by saving more than $1.2 billion, or 74 percent.

In California's Chino Basin, local leaders developed the Optimum Basin Management Program (OBMP) to address the region's water challenges. 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, and restores instream flows and water quality in the Santa Ana River, returning a surface water supply and replenishing and improving water quality in the Chino Groundwater Basin.

Thank you for considering our views.

Sincerely,

Patricia Sinicropi
Executive Director