#### LEADERS IN WATER



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November 14, 2024

The Honorable Donald J. Trump President-Elect of the United States Washington, DC

### Dear President-Elect Trump:

On behalf of the Association of Metropolitan Water Agencies (AMWA), congratulations on your election as the next President of the United States. AMWA is an organization of the nation's largest publicly owned drinking water systems, and each day our members collectively serve clean and safe drinking water to more than 160 million Americans from coast to coast. We are eager to work with you and your administration in the coming weeks and months to develop and implement policies that ensure Americans continue to have access to the best drinking water in the world.

Your administration is uniquely positioned to help the nation's public water systems prepare for and respond to the range of challenges facing our communities. We therefore urge you to adopt a water policy agenda focused on three key pillars: development of sound regulations, robust investment in water infrastructure, and collaboration with water sector entities to address physical, cyber, and natural risks.

## Pillar One: Develop sound drinking water regulations

Americans are fortunate to have access to some of the best drinking water in the world. EPA has set federal standards for more than 90 different drinking water contaminants and through cooperative federalism, individual states are empowered to set their own standards for contaminants that might present local or regional concerns.

Today, drinking water utilities know more about potential contaminants than in previous decades, thanks to advanced detection capabilities that can identify contaminants at concentrations of as little as a single drop in several Olympic-sized swimming pools. But the Safe Drinking Water Act, or SDWA, wisely recognizes that the mere presence of a miniscule amount of a substance in drinking

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water does not necessarily equate to a public health risk. Instead, binding drinking water regulations are to be developed through a transparent process that is based in peer-reviewed science and which appropriately considers both potential public health benefits and compliance costs.

Unfortunately, in recent years EPA has pursued expansive new regulations based on questionable science with seemingly little regard for their costly effects on water systems and their ratepayers. For example, earlier this year EPA finalized new drinking water standards for several per- and polyfluoroalkyl substances (PFAS). While AMWA agreed with EPA's initial decision to regulate several of these PFAS, the final regulation sets the standards well below what is feasible and cost-effective for many communities. As a result, the regulation will be tremendously costly for water systems and their ratepayers. A study completed last year by the Policy Navigation Group on behalf of AMWA estimated that the PFAS regulations will cost community water systems across the country as much as \$6.4 billion each year – a sum that translates to additional annual per-household costs of \$1,700 for community water systems serving between 501 and 1,000 people.<sup>1</sup>

This year, EPA also finalized a rule to designate certain PFAS as hazardous substances under federal law. While intended to hold polluters accountable, in practice this new regulation will put thousands of drinking water systems across the country at risk of being sued to cover the cost of cleaning up the disposal site of water treatment residuals containing PFAS – substances that water systems only possessed because they had to comply with EPA's drinking water standards for PFAS. The cost of this liability for communities nationwide will be immense.

Finally, this year EPA also finalized a suite of revisions to the federal Lead and Copper Rule, which had just been strengthened and updated during your first administration. The revised rule includes a mandate for drinking water systems nationwide to remove and replace all lead service lines over ten years – even service lines that are the private property of individual homeowners. While AMWA strongly agrees with the aspiration of eliminating lead service lines nationwide, a requirement for all communities to finish the task within ten years represents a massive unfunded mandate. The cost of replacing lead service lines alone could cost water systems as much as \$12.6 billion annually over ten years.<sup>2</sup> And of course, these costs will ultimately be paid by ratepayers.

During the first year of your administration, EPA is expected to propose several new drinking water regulations, including standards to limit perchlorate and to update microbial disinfectant byproduct rules. As these tasks are carried out, AMWA urges your administration to base its decisions on sound science and achievable public health benefits – while being conscious of technical feasibility, cost, and the effects on local ratepayer affordability.

<sup>&</sup>lt;sup>2</sup> https://www.amwa.net/system/files/linked-files/AMWA\_EPA\_%202024%20comments%20on%20LCRI.pdf

#### Pillar Two: Make robust investments in water infrastructure

These regulatory compliance costs will be layered on water systems across the country that are already struggling to maintain and upgrade their infrastructure without placing excessive burdens on their ratepayers. The needs are well documented: EPA estimates that the nation's drinking water systems require \$625 billion in additional investment over the next two decades just to maintain current levels of service.<sup>3</sup> For wastewater systems, the sum is \$630 billion,<sup>4</sup> equating to a total water and wastewater infrastructure need of more than \$1.2 trillion over the next twenty years.

Helping local water systems address these costs is one area where investments in EPA's budget can pay dividends in communities across the nation. Even the Heritage Foundation has identified EPA's water infrastructure assistance programs as "one very targeted area where increased spending would be in the nation's interest." AMWA therefore urges you to make strong investments in water infrastructure a hallmark of your administration.

Specifically, we request that your administration pursue full funding for several core drinking water and wastewater infrastructure programs administered by EPA. While these funds flow through EPA, and in some cases states, they are ultimately received by local communities to plan and carry out projects to build and renew the critical infrastructure necessary to promote public health and facilitate economic growth:

- \$3.25 billion for the Drinking Water State Revolving Fund. The DWSRF supports capitalization grants to states that in turn offer low-interest loans to communities carrying out water infrastructure projects that benefit public health or achieve compliance with the Safe Drinking Water Act. Fully funding the DWSRF will help states maintain adequate resources to fund these projects.
- \$3.25 billion for the Clean Water State Revolving Fund. The CWSRF is the primary federal clean water financing tool that communities and public clean water utilities utilize to help meet their Clean Water Act obligations and infrastructure needs. The CWSRF has been instrumental to communities' successes in advancing water quality and public health protection.
- \$80 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program. WIFIA offers competitive, low-cost financing to help communities pay for large-scale drinking water and wastewater projects that are generally expected to cost at least \$20 million. Because WIFIA funds are leveraged, this investment would support several billion dollars in direct credit assistance for water projects nationwide.

<sup>&</sup>lt;sup>3</sup> EPA 7<sup>th</sup> Drinking Water Infrastructure Needs Survey. https://www.epa.gov/system/files/documents/2023-09/Seventh%20DWINSA September2023 Final.pdf

 $<sup>^4</sup>$  EPA 2022 EPA Clean Watershed Needs Survey Report. https://www.epa.gov/system/files/documents/2024-05/2022-cwns-report-to-congress.pdf

<sup>&</sup>lt;sup>5</sup> https://static.project2025.org/2025 MandateForLeadership CHAPTER-13.pdf

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- \$100 million for Reducing Lead in Drinking Water grants. This program offers direct funding to help communities reduce risks associated with lead in drinking water by fully replacing lead service lines or conducting inventory inspections to determine where lead pipes are located.
- \$50 million for the Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program. This program is designed to help drinking water systems take steps to prepare to withstand the effects of natural disasters and cyber threats. Eligible projects include those that help communities efficiently utilize water supplies, modify or relocate infrastructure threatened by natural hazards or extreme weather, or deploy measures to reduce a water system's cyber vulnerabilities.

Again, by supporting these critical programs within EPA's budget, your administration will help communities in every state in the nation construct essential water infrastructure while protecting individual ratepayers from excessive and unaffordable water bills.

# Pillar Three: Collaborate to address physical, cyber, and natural risks

America's critical infrastructure is vulnerable. Not only to natural disasters and terrorist organizations, but also to cyber criminals who are attacking water utilities on a monthly basis. The water sector recognizes this and has proactively taken steps to help drinking water and wastewater systems increase their preparedness to these risks. However, the sector needs your administration's help to expand access to these resources.

One underutilized resource available to communities is the Water Information Sharing and Analysis Center, or WaterISAC. Established in 2002, today WaterISAC is one of more than two-dozen sector-specific ISACs in operation. It collects, analyzes, and disseminates actionable threat information to member drinking water and wastewater systems, while also offering guidance on risk mitigation tools, best practices, and response actions that contribute to an all-hazards resiliency posture.

However, as an independent non-profit organization, WaterISAC receives no state or federal grant funding and therefore operates as a dues-based subscription service. Currently utility staff from roughly 600 water and wastewater systems nationwide are members of WaterISAC. But a federal investment of just \$1 million per year would enable WaterISAC to service all 50,000 community water systems across the country.

Your administration has an excellent opportunity to recognize the value of WaterISAC and take steps to help the service reach more communities. With more entities participating in WaterISAC, more communities will be able to take advantage of its threat analysis and response services, and therefore be prepared to repel incidents that do occur. WaterISAC also facilitates information sharing among participating utilities, so expanding the reach of the service will also help the sector develop more and better intelligence about emerging threats to water systems.

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AMWA also encourages the preservation of exiting federal efforts to help communities maintain resilience to a range of threats. For example, EPA's Creating Resilient Water Utilities (CRWU) initiative provides drinking water, wastewater, and stormwater utilities with practical tools, training, and technical assistance to increase system resilience to extreme weather events and other natural hazards. CRWU helps promote a clear understanding of weather data and helps water systems identify potential resilience strategies, implementation options, and infrastructure financing opportunities. In your administration this initiative should continue to play a valuable role in helping water systems maintain critical operations.

Finally, AMWA urges your administration to avoid ill-advised regulatory mandates that purport to increase security, but instead only impose new regulatory burdens on water systems. Once such example was a 2023 plan by EPA to require states to conduct reviews of utilities' cyber-preparedness while carrying out unrelated inspections of water facility operations. AMWA and other water sector stakeholders warned that such a plan would not increase cybersecurity, and could actually lessen it by making information about individual systems' vulnerabilities public. The plan was only halted when a federal court blocked it from moving forward. AMWA looks forward to your administration taking a collaborative approach to addressing physical and cyber risks in cooperation with the water sector.

#### Conclusion

Again, AMWA congratulates you on your election as President of the United States, and the association looks forward to working with your administration to advance policies that advance the promise of clean drinking water to promote public health and economic development. We are eager to collaborate on the development of sound regulation, smart investments in drinking water infrastructure, and cooperative efforts to promote water system security.

AMWA would also be honored to meet with members of your transition team to discuss these topics in more detail and explore additional ways that we can work together over the next four years. The association stands ready to assist you in the weeks, months, and years ahead.

Sincerely,

Thomas Jahling

**Tom Dobbins** 

Chief Executive Officer