

American Public Works Association • American Rivers • American Society of Civil Engineers • American Water Works Association • Association of California Water Agencies • Association of Metropolitan Water Agencies • California Association of Sanitation Agencies • National Association of Clean Water Agencies • National Association of Flood and Stormwater Management Agencies • Natural Resources Defense Council • Rural Community Assistance Partnership, Inc. • Water Environment Federation • WaterReuse Association • Water Utility Climate Alliance • Western Urban Water Coalition

May 17, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

Dear Majority Leader Reid:

On behalf of America's leading water utility, environmental, conservation, and engineering organizations, we support incorporating a "Blue Bank for Water System Mitigation and Adaptation" into comprehensive climate and energy legislation in the Senate. You proposed a Blue Bank as part of your "Water Efficiency, Conservation, and Adaptation Act of 2009" (S. 1712), and similar programs have been included in other climate proposals, such as S. 1733 and H.R. 2969.

A Blue Bank would establish a grant program through which the nation's water, wastewater, and stormwater utilities could compete for funding to design, plan, construct, and implement projects that help them adapt to water resources challenges posed by climate change. We support a Blue Bank because of the serious impacts that global warming will have on water resources and infrastructure and the need for federal assistance to communities in meeting that new set of challenges in addition to the backlog of current water, wastewater, and stormwater needs.

As you are aware, global climate change is expected to lead to a host of challenges for local water, wastewater, and stormwater utilities, ranging from severe drought and melting snowpack that stresses water supplies to increased heavy precipitation events and rising sea levels that threaten water quality. However, the "American Power Act" recently released by Senators John Kerry and Joe Lieberman includes no direct mechanism to help water, wastewater, and stormwater utilities adapt their operations to these challenges. While Section 6011 of the bill allows that the EPA Administrator "may" establish water system mitigation and adaptation partnerships, the scope of the program is undefined.

Inserting a Blue Bank for Water System Mitigation and Adaptation in this section would address this shortcoming by offering competitive grants to help water utilities undertake

capital projects to develop water supplies or improve water quality, water conservation and efficiency efforts, and utility-specific evaluations to estimate how climate change will impact their sustainability.

Water supply, wastewater, and stormwater utilities are already struggling to meet current demands placed on our water infrastructure. According to the Environmental Protection Agency a \$534 billion gap exists between current investment in water and wastewater infrastructure and projected needs over the next 20 years. Climate change will only exacerbate the resources needed to provide safe and clean water to the American people. For example, a recent study by the National Association of Clean Water Agencies and the Association of Metropolitan Water Agencies estimated that additional climate adaptation costs to be borne by local water systems could approach \$1 trillion by 2050.

The undersigned organizations therefore urge you to include a Blue Bank for Water System Mitigation and Adaptation in the “American Power Act” or any other comprehensive climate and energy legislation considered in the Senate. We look forward to working with you to ensure that America’s water, wastewater, and stormwater utilities are given the resources they need to respond to changing climate conditions.

Sincerely,

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