

January 5, 2009

PUSH CONTINUES FOR WATER FUNDING IN STIMULUS BILL

Throughout December AMWA continued to work closely with congressional staff and other water sector associations to build a strong case for a substantial federal investment in drinking water infrastructure as part of the economic stimulus package that congressional Democrats hope to have on President-elect Obama's desk soon after Inauguration Day. AMWA has focused on building support for securing at least \$10 billion in the stimulus bill for drinking water infrastructure, reducing requirements that stimulus funds be repaid as loans with interest and requiring states to set aside a portion of the dollars they receive for infrastructure upgrades at large water utilities serving metropolitan areas.

These requests have begun to gain support in the House of Representatives. On December 19, Rep. Gene Green (D-Tex.), chairman of the House subcommittee with jurisdiction over drinking water issues, sent a letter co-signed by 35 other representatives to House Appropriations Committee Chairman David Obey (D-Wis.) asking the chairman to direct at least \$10 billion in stimulus dollars to drinking water projects and require states to reserve at least 30 percent of these funds for projects at large metropolitan utilities. AMWA worked with Rep. Green's staff to draft and gain support for the letter, and along with other water groups reinforced the points in separate letters sent to Rep. Obey, House Speaker Nancy Pelosi and Senate Majority Leader Harry Reid. Copies of these letters are available on AMWA's Legislative Information webpage at www.amwa.net/cs/leginfo.

AMWA also joined a letter sent by the environmental groups American Rivers, the Alliance for Water Efficiency and the Natural Resources Defense Council endorsing the \$10 billion

THIS WEEK IN CONGRESS

The House and Senate will convene the 111th Congress this week, with Democrats and Republicans expected to work to finalize committee memberships and review initial plans for the economic stimulus package targeted for passage before Inauguration Day. Members will also formally count the states' electoral votes during a joint session of Congress on Thursday.

stimulus request for drinking water infrastructure and asking that an additional \$2 billion be allotted for community projects that will increase water efficiency. This letter is also available on AMWA's Legislative Information webpage.

Other water associations have also been promoting their own stimulus plans. The National Association of Water Companies (NAWC), which represents privately owned water systems, recently released a five-point program of tax and investment incentives that they say will spur investment in drinking water infrastructure. However, some components of the plan – which includes a three-year, 10 percent tax credit on all investments in water and wastewater infrastructure, lifting the cap on Private Activity Bonds for all water and wastewater investments and accelerated depreciation for infrastructure replaced over the next three years – are likely beyond the scope of what Congress will address in the stimulus plan.

IG SAYS EPA ERRED IN PERCHLORATE RISK ASSESSMENT APPROACH

EPA's Office of the Inspector General (OIG) last week reported that the agency should have followed a cumulative risk assessment approach in its perchlorate risk assessment.

OIG's December 30 release, *Scientific Analysis of Perchlorate*, available at www.epa.gov/oigearth, considered whether EPA's perchlorate reference dose (RfD) is protective of human health at "all life stages" and also evaluated EPA's risk assessment procedures.

The report stated that while the RfD is a conservative value, the reference dose alone is not enough to protect sensitive populations from iodide deficiency since there are other sources of exposure that inhibit total iodide uptake. The OIG concluded that EPA should have followed a cumulative risk assessment approach and included thiocyanate and nitrate in the risk assessment. Additional information will be available in AMWA's next *Regulatory Report*.

The OIG is seeking scientific comments on its analysis and recommendation of a cumulative risk assessment approach from the "environmental risk assessor community" by March 10, 2009. It is unclear how the release of the OIG report will affect EPA's final preliminary regulatory decision for perchlorate, which is expected before President Bush leaves office. *The New York Times* has suggested that the next EPA administrator will make the final decision.

WSSC RELEASES SECURITY METRICS REPORT

The Water Sector Coordinating Council (WSSC) announced the completion of its sector-specific metrics initiative last Wednesday, officially making it the first of all 18 critical infrastructure and key resource sectors to complete this important task.

According to the report, results of the metrics process indicate a high level of attention and commitment to security by drinking water and wastewater utilities and underscore significant progress to date. A copy of the report is available at www.amwa.net/cs/security.

Outlined generally in the National Infrastructure Protection Plan and in detail within the Water Sector-Specific Plan, the metrics process provides an overall status check regarding the sector's security work and posture.

MISS ANY AMWA E-MAILS OVER THE HOLIDAYS?

If you did not receive the following e-mails or if they did not display accurately, please contact Eugenia Cadena at 202-331-2820 or cadena@amwa.net.

December 12

Drinking Water Infrastructure Stimulus
Funding – Faxes To Congress Requested

December 16

Special Briefing

December 19

AMWA's New Green Projects Blog

December 30

December Water Security Scan

EPA ISSUES GREEN INFRASTRUCTURE HANDBOOKS

With climate change being taken more seriously and energy production challenges expected to continue or expand, Congress and the Obama Administration are going to take a closer look at how green infrastructure can be integrated in the workings of government and industry.

Recognizing this, EPA in recent months released a series of handbooks for municipal agencies to highlight benefits and options for voluntary green municipal projects.

Four handbooks are currently available: funding options, stormwater retrofit programs, green infrastructure in public spaces and transportation and rainwater harvesting. More in the series are expected in 2009.

The handbooks can be found on EPA's website, along with many other green resources, such as case studies highlighting efforts in Chicago, Portland, Philadelphia, Pittsburgh, Seattle and Milwaukee. Visit www.epa.gov/greeninfrastructure for more information.