



American Water Works
Association



ASSOCIATION OF
METROPOLITAN
WATER AGENCIES

April 29, 2013

Members

United States Senate

Washington, DC 20510

Dear Senator:

As the U.S. Senate prepares to consider S. 601, the “Water Resources Development Act of 2013,” the Association of Metropolitan Water Agencies (AMWA) and the American Water Works Association (AWWA) want to re-emphasize our strong support for Title X, which would create a Water Infrastructure Finance and Innovation Act (WIFIA) pilot program.

While the state revolving loan fund programs have been and will remain an important tool to help water systems comply with regulations, there is a need for low-cost financing to help communities finance larger water infrastructure repair and replacement projects. The SRF program in most states is unable to fund projects costing more than \$20 million, so WIFIA would fill a crucial gap in meeting the nation’s water infrastructure investment needs.

The beauty of a WIFIA is that it is strictly a loan program – no grants – and is therefore budget neutral. We urge you to support the inclusion of Title X within S. 601.

Regarding another aspect of S. 601, many of our members have raised concerns about Sec. 2015 of the bill. This section could threaten water availability across the country by limiting the authority of the U.S. Army Corps of Engineers and the U.S. Bureau of Reclamation to use federal reservoirs to provide municipal water supplies.

Sec. 2015 would require Congressional approval for any reallocation of municipal water supply storage in a federal reservoir if the total cumulative amount dedicated to water supply would exceed five percent of the reservoir’s conservation storage pool (which holds water for purposes such as hydropower generation and navigation). This new requirement disfavors water supply for cities, towns and businesses, and would severely limit the ability of the Army Corps and Bureau of Reclamation to use existing infrastructure to help communities meet their water supply needs.

These new limits could force community water systems to look elsewhere for necessary water storage capacity - requiring cities and towns to spend millions of ratepayer dollars to plan and construct new water supply projects while depriving the federal treasury of revenues currently collected from municipal water supply contracts.

As the Senate prepares to consider S. 601, AMWA and AWWA request your support for Title X and your assistance to ensure Section 2015 does not deprive communities of reasonable access to available federal water storage capacity.

Sincerely,

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