



**ASSOCIATION OF
METROPOLITAN
WATER AGENCIES**

Testimony of

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On behalf of the Association of Metropolitan Water Agencies

U.S. House of Representatives

Committee on Energy and Commerce

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Hearing on

**“From Source to Tap: A Hearing to Examine Challenges and Opportunities
for Safe, Reliable, and Affordable Drinking Water”**

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Chairman Palmer, Ranking Member Tonko, and members of the subcommittee, thank you for the opportunity to testify before you today. My name is Lindsey Rechten, and I am the President and CEO of the Northern Kentucky Water District. NKWD provides drinking water service to nearly 300,000 people across five Northern Kentucky counties.

I also serve on the Board of Directors of the Association of Metropolitan Water Agencies (AMWA), an organization representing the nation's largest publicly owned drinking water systems. And I am a member of the Board of Managers of WaterISAC, the Water Information Sharing and Analysis Center.

I am here today on behalf of AMWA, whose members collectively provide over 160 million people across the country with clean drinking water. AMWA represents the perspectives and priorities of its members by working with Congress and federal agencies to ensure drinking water systems have input into the federal laws and regulations that affect them and their customers.

AMWA appreciates the subcommittee convening this important hearing on issues and challenges facing the nation's drinking water systems. These water systems are the unseen engines of America's economic and public health infrastructure, yet in 2026 they stand at a crossroads. AMWA is eager to work with this subcommittee to ensure that all Americans have access to clean, safe, and affordable drinking water.

Northern Kentucky Water District's mission is "to meet and exceed regulatory standards and community expectations by efficiently providing safe, reliable, and affordable water." We operate three water treatment plants drawing from the Ohio and Licking Rivers and maintain over 1,300 miles of water main. As Kentucky's largest water district and third largest water provider, the challenges outlined in this testimony directly affect our operations and our customers.

Drinking Water Investment Needs

The investment needs facing the nation's water systems are well-documented. The Environmental Protection Agency has estimated that the water and wastewater sector requires more than \$1.2 trillion worth of investment over the next 20 years just to maintain current levels of service, and \$625 billion of this need is represented by the drinking water sector. Of that, just over \$235 billion comes from metropolitan systems serving more than 100,000 people.¹

Accounting for inflation, the total drinking water investment needs represent a 14 percent increase over the previous Drinking Water Needs Survey results in 2015. This signals that investments in drinking water infrastructure are not keeping pace with the need, and that the gap will continue to grow over time.

EPA has also reported on the various types of water infrastructure investment needs faced by the nation. Distribution and transmission make up most drinking water funding needs, representing \$420 billion over the next 20 years. This includes raw water transmission, finished water transmission, and distribution mains—the primary pipes that carry water from a treatment plant to

¹ EPA's 7th Drinking Water Infrastructure Needs Survey and Assessment, https://www.epa.gov/system/files/documents/2023-09/Seventh%20DWINSAs_September2023_Final.pdf

a distribution network, and then distribute water throughout a community. Water treatment makes up the second largest cost of all drinking water infrastructure needs, at \$106 billion.

While these numbers paint a long-term, national picture, residents of the nation's capital are currently experiencing a close-up look at what happens when water infrastructure fails. January's collapse of the Potomac Interceptor – a 72-inch diameter sewer line in Montgomery County, Maryland – has according to reports caused an outflow of more than 200 million gallons of wastewater into the Potomac River.² While I cannot speak to the specifics of this incident, it demonstrates the real-world implications to the environment, public health, and the economy when water infrastructure is unexpectedly taken out of service. And it illustrates the ongoing criticality of strong and sustained investments in our water and wastewater infrastructure.

The Economic Value of Water Infrastructure Investment

While events like the Potomac Interceptor collapse deliver a dramatic visual of an infrastructure failure, less well known are the economic advantages of preemptively investing in our nation's water infrastructure, before such failures occur. To help better understand these benefits, last year AMWA partnered with the Value of Water Campaign to produce *The Economic Benefits of Investing in Water Infrastructure*.³ This landmark report found that every \$1 million invested in water infrastructure generates \$2.5 million in economic output, and \$1.4 million worth of GDP growth.⁴ A summary of this report is attached to my testimony.

The ripple effects of these economic gains are felt across all sectors of the economy. According to the Value of Water Campaign, closing the \$100 million annual water infrastructure funding gap would energize supply chain activity, build inter-industry relationships, and prompt greater household spending made possible by higher labor income. Furthermore, industries directly supported by water infrastructure investment could experience economic output increases between 6.5 and 14.7 percent, while industries indirectly connected to water infrastructure could see annual economic output rise by as much as 1.6 percent.⁵

The alternative is grim. Failing water infrastructure not only threatens public health, but it interrupts economic activity and leads to severe losses for America's business community – consequences we are seeing today in our nation's capital. Nationwide, a single day without water service across the country would cost the U.S. economy nearly \$120 billion, 527,000 jobs, and \$69 billion in GDP.⁶ These economic interruptions happen at a smaller scale across the country on a daily basis, through water main breaks or more dramatic incidents like the Potomac Interceptor collapse that interrupt service, cause businesses to close, and send workers home.

² <https://www.dcwater.com/about-dc-water/media/potomac-interceptor-collapse>

³ https://uswateralliance.org/wp-content/uploads/2023/09/Economic-Impact-of-Investing-in-Water-Infrastructure_VOW_FINAL_pages_0.pdf

⁴ https://static1.squarespace.com/static/67dd711d1a117219a03e4f7a/t/6909675b50ac577ef692ac20/1762223963849/2-Econ_Exec+Summary+2025.pdf

⁵ <https://static1.squarespace.com/static/67dd711d1a117219a03e4f7a/t/6917b2fbc2843b7310c7ace1/1763160827739/FINAL+VOW+Economic+Report.pdf>, Table 9.

⁶ https://static1.squarespace.com/static/67dd711d1a117219a03e4f7a/t/6917b8f46ebe1b77b016c0a1/1763162356654/VOW+Econ_General_Fact+Sheet.pdf

Fortunately, this subcommittee has an opportunity to get ahead of these challenges. The Drinking Water State Revolving Fund (DWSRF), the Water Infrastructure Finance and Innovation Act (WIFIA), and several targeted water infrastructure assistance programs are all up for reauthorization this year. AMWA urges strong, bipartisan action to reauthorize each of these programs at levels that are commensurate with the water sector’s documented needs. Additionally, AMWA supports several other legislative proposals before this subcommittee that will help local water systems provide abundant water service while keeping rates affordable for customers of all income levels.

Reauthorizing Water Infrastructure Assistance Programs

In 2021 Congress reauthorized a host of critical drinking water and wastewater infrastructure assistance programs for five years. However, each of those program authorizations is scheduled to expire following the current 2026 fiscal year. AMWA therefore urges this subcommittee to act quickly to reauthorize the drinking water infrastructure programs at level that recognizes the tremendous water infrastructure need facing the nation. These programs include:

- **The Drinking Water State Revolving Fund:** Through 2023, the DWSRF had provided \$57.3 billion in aid to help communities protect public health and ensure public water system compliance with the Safe Drinking Water Act, through 19,560 individual assistance agreements.⁷ This cornerstone infrastructure assistance program allows EPA to distribute funds to states and territories through a needs-based formula, ensuring that funding is directed where it is needed most.
- **The Water Infrastructure Finance and Innovation Act:** 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 (though there are lower thresholds for projects serving small and rural communities). As of February 2026, EPA reports that WIFIA had “closed 149 loans totaling \$23 billion in credit assistance to help finance \$50 billion for water infrastructure projects and create 167,000 jobs.”⁸ Because WIFIA funds are leveraged, a relatively modest federal investment can support an exponential amount of direct credit assistance for water projects nationwide.
- **The Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program:** First authorized in 2021, 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. Last fall, EPA announced the availability of the first \$9.5 million in grant funding for this program, and the agency is expected to announce the first round of grant recipients in Spring 2026.
- **Reducing Lead in Drinking Water Grants:** Originally authorized in 2016, this program offers direct funding to help communities reduce risks associated with lead in drinking

⁷ 2023 DWSRF Annual Report, https://www.epa.gov/system/files/documents/2024-10/2023-dwsrf-annual-report_0.pdf

⁸ <https://www.epa.gov/wifia/wifia-projects>

water by fully replacing lead service lines or conducting inventory inspections to determine where lead pipes are located. As community water systems are working to comply with EPA's 2037 deadline to remove all lead service lines nationwide, this funding assistance is especially important. To date, over \$37 million in grant funding has been awarded to six different communities, including water systems in Rhode Island, Michigan, and New Jersey.⁹

The Drinking Water SRF in particular has been an indispensable financing tool for Northern Kentucky Water District. Over the past two decades, we have utilized 17 DWSRF loans totaling over \$110 million to finance infrastructure improvements across our system. These projects have addressed treatment plant upgrades, water main replacements, and emergency power generation, all while maintaining affordable rates for our 300,000 customers. Some highlights of these efforts include:

- **Treatment Upgrades for Regulatory Compliance:** Our \$24 million GAC project installed granular activated carbon contactors across two of our treatment plants. GAC is EPA's best available treatment technology for reducing disinfection byproducts, and this investment ensures we can maintain Safe Drinking Water Act compliance.
- **Newport Water Main Replacement:** Our \$12.3 million Newport project will replace over 15,000 feet of aging cast iron water main in a disadvantaged community, reducing water loss, service disruptions, and the risk of contaminant introduction. The project also includes replacement of approximately 520 lead service lines. Coordinating this work with water main replacement reduces costs by approximately 40 percent compared to stand-alone replacement, maximizing the value of every federal dollar.
- **Resilience and Reliability:** Our \$8 million DWSRF loan will support emergency power generation at Taylor Mill Treatment Plant, a redundant 36-inch crossing under the Licking River, and settling basin improvements at Fort Thomas Treatment Plant to address vulnerabilities identified in our federally required security assessment under section 1433 of the Safe Drinking Water Act. These improvements ensure continued service during power outages for approximately 300,000 people.

Northern Kentucky Water District's experience demonstrates that the DWSRF is not merely a financing mechanism; it is a long-term partnership that enables utilities to plan strategically, combine funding sources effectively, and deliver improvements that protect public health while maintaining affordable rates. We responsibly evaluate and adjust our rates on a regular basis to meet infrastructure needs and maintain financial stability. Federal funding allows us to moderate necessary rate increases rather than absorb higher than necessary financing costs or avoid the need to pay back principal all-together when principal forgiveness loans are available. The DWSRF ensures that we can continue to invest in our system and avoid rate shock for our community. Robust reauthorization at levels commensurate with the sector's documented needs is the foundation on which utilities like ours build reliable, compliant water systems.

⁹ <https://www.epa.gov/dwcapacity/wiin-grant-reducing-lead-drinking-water>

Holding Polluters Accountable for PFAS Pollution

In 2024 EPA designated PFOA and PFOS as “hazardous substances” under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). While intended to hold polluters accountable for the cost of cleaning up PFAS pollution, the action also exposes passive receivers, including water systems, to liability related to the cleanup of PFOA and PFOS from landfill sites where utilities dispose water treatment residuals containing the contaminants.

In order to comply with EPA’s drinking water standards for PFOA and PFOS, NKWD and many other water systems will remove these contaminants from drinking water supplies through a granular activated carbon filtration treatment process that will capture and concentrate the PFAS in filtration media. Eventually, this filtration media reaches the end of its useful life, and the spent media – concentrated with PFAS – must generally be disposed of at a facility that will accept material containing hazardous waste. But under CERCLA, any entity that contributed hazardous waste to a disposal location can be held liable for a portion of the cleanup costs should it become subject to Superfund remediation. This puts NKWD and other passive receivers of PFAS at risk.

Recognizing that the original polluters and users of PFAS should bear these cleanup costs, in 2024 EPA announced an “enforcement discretion” policy that would concentrate the agency’s CERCLA enforcement activities related to PFAS on the entities responsible for the contamination these chemicals have caused. But this policy alone will not ensure that water systems avoid potentially catastrophic CERCLA legal defense costs and cleanup liability for PFAS. This certainty could only be provided by EPA settling with each of the 50,000 community water systems and 16,000 treatment works nationwide—a cumbersome exercise that would take years and extensive resources to complete for both EPA and water systems.

Under the “enforcement discretion” plan water systems would also remain vulnerable to lawsuits from polluters that EPA pursues for site cleanup costs if they undertake a “private right of action” under section 107 of CERCLA, or a “contribution claim” under section 113, to attempt to recover costs from other entities that CERCLA allows to be held liable. These provisions are loopholes through which polluters can circumvent their cleanup responsibilities and pass costs onto water system ratepayers, or at minimum, force water systems to pay steep legal costs to defend themselves against these claims.

For our utility and its customers to have to either subsidize or possibly assume the cleanup cost burden for manufacturers and users of PFAS is simply an unconscionable possibility that we should not let arise.

AMWA believes that a legislative solution is necessary to ensure that polluters cannot pass off their responsibility for PFAS site cleanups to water systems and other passive receivers. To this end, the bipartisan Water Systems PFAS Liability Protection Act (H.R. 1267) would ensure that a drinking water or wastewater system that properly disposes of PFAS will not face future liability related to the cleanup of the disposal site of those chemicals. The bill also demands accountability on the part of water systems by conditioning these liability protections on the utility following all applicable rules related to PFAS disposal.

AMWA understands and appreciates that the subcommittee may wish to explore other approaches to addressing this issue. We remain willing and eager to discuss the path forward

with the subcommittee and are committed to working cooperatively to ensure that communities are not burdened with billions of dollars in cleanup costs for pollution they played no part in creating.

Achieving Water Affordability for all Americans

AMWA also encourages this Committee to recognize the notable hole in the federal social safety net when it comes to maintaining access to essential drinking water and wastewater service for low-income households. While the federal government has long maintained strong programs to provide qualifying households with energy and nutrition assistance, there has been no permanent, corresponding program to promote public health through access to residential water service.

Today, as many as 21 million households nationwide face challenges in paying their water bills. Aging water infrastructure, cybersecurity threats, and expanded regulatory mandates have contributed to the average residential water bill increasing nearly 25 percent between 2019 and 2024, and will continue to put additional upward pressure on water rates in the coming years.¹⁰

Recognizing these challenges, Congress established the Low-Income Household Water Assistance Program (LIHWAP) in 2021 to help qualifying households pay for essential water services, but the program has since expired. According to HHS, over two years LIHWAP served over 1.5 million households nationwide, including by preventing 923,583 service disconnections, restoring water services 101,687 times, and reducing 1,120,417 water bills.¹¹

AMWA strongly supports restarting the LIHWAP program, and the association has endorsed the LIHWAP Establishment Act (H.R. 4733) to achieve this objective. However, we also recognize that members of this subcommittee may hold different perspectives on the most effective way to deliver assistance to ratepayers-in-need, so we are willing to discuss various paths forward that will both help households maintain water service, while ensuring that public water systems are able to collect the payments necessary to maintain their operations.

Securing Water Systems Against Cyber Threats

Drinking water systems represent an attractive target for cyber adversaries. A successful attack could not only threaten water quality and public health but would also undermine public confidence in the safety and reliability of drinking water. Cyber attacks also have the potential to harm the economy if water systems are taken offline. Estimates show that a single day of downtime in U.S. water service could result in \$122 billion in lost economic activity and a \$69 billion decline in GDP.¹²

Cyber threats to water systems have grown in recent years. According to WaterISAC, from April 2024 through March 2025, roughly 14 percent of water utilities responding to its quarterly incident survey reported experiencing at least one cybersecurity incident. This is an increase

¹⁰ <https://www.bluefieldresearch.com/ns/u-s-water-and-sewer-bill-has-increased-24-in-five-years-raising-affordability-concerns/>

¹¹ https://www.acf.hhs.gov/sites/default/files/documents/ocs/DRAFT_LIHWAP-Implementation-Final-Report.pdf

¹² <https://static1.squarespace.com/static/67dd711d1a117219a03e4f7a/t/6917b2fbc2843b7310c7ace1/1763160827739/FINAL+VO+W+Economic+Report.pdf>

from about 11.5 percent of responding water systems during the same period the year before.¹³ At the same time, cyber threats are becoming more frequent, more sophisticated, and more damaging, requiring ongoing and sustained investment by water utilities to manage risk.

As more water systems use internet-connected operational technology – such as industrial control systems – to remotely monitor and control pumps, valves, and chemical dosing, new cybersecurity challenges are introduced. While these technologies improve efficiency, they also turn operations that were once handled directly by humans into complex, interconnected cyber-physical systems. In 2024, researchers identified more than 18,000 industrial control systems in the United States that were accessible from the internet. More than half of the devices linked to water and wastewater systems could be manipulated online without any authentication at all.¹⁴

While federal initiatives such as Penetration Testing offered by the Cybersecurity & Infrastructure Security Agency (CISA) are vital tools we use to ensure optimal operations, more can be done. AMWA supports several legislative proposals that could help drinking water and wastewater systems learn about cyber threats, become educated about appropriate preventative and response actions, and access financial resources to address cyber vulnerabilities. AMWA believes that each of these legislative proposals should remain part of the discussion as Congress explores ways to improve cybersecurity in the water sector.

- **H.R. 2344, the Water Intelligence, Security, and Cyber Threat Protection Act** would increase participation WaterISAC by directing EPA to educate water systems about resources offered through the center and allocating funding to help water systems offset WaterISAC’s membership costs. Based on a similar Energy Department program authorized by Congress in 2021 to better connect electric utilities with that sector’s ISAC, the legislation recognizes that simply raising awareness of the cyber resources available to water systems is a critical first step to facilitating adoption of cybersecurity best practices. Similarly, the funding assistance provided through the bill would ensure that no water system misses out on having access to these resources because of cost.
- **H.R. 5566, the Water Infrastructure Resilience and Sustainability Act** would reauthorize the Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program discussed earlier in this testimony, alongside two similar resilience programs for small drinking water systems, and wastewater systems of all sizes. With additional federal assistance made available through these programs, a wider range of public water systems would be able to undertake security initiatives, such as pursuing new software upgrades, making investments in security personnel, or implementing threat detection and monitoring procedures.
- **H.R. 2594, Water Risk and Resilience Organization Establishment Act** would establish a governing body, the WRRO, comprised of cyber experts and drinking water and wastewater system operators to help develop, recommend, and enforce cybersecurity requirements for drinking and wastewater systems. Based on the model of the North American Electric Reliability Corporation in the energy sector, the WRRO would work

¹³ <https://www.waterisac.org/threat-analysis-for-the-water-and-wastewater-sector-october-2025>

¹⁴ <https://censys.com/blog/research-report-internet-connected-industrial-control-systems-part-one>

in partnership with the EPA to ensure that water systems employ minimum best practices to defend against cyber threats, while avoiding one-size-fits-all mandates. The WRRO therefore goes one step beyond simply making water systems aware of cyber best practices and would provide direction on specifically which actions individual water systems should adopt, based upon their size and unique risk profiles.

The WRRO model would leverage the expertise and experience of utility managers and operators when formulating practical requirements that consider utility scale, resources, existing challenges, and the most pressing threats. As Congress explores various options to bolster water systems' cybersecurity posture, AMWA strongly encourages that the WRRO model be part of the discussion.

Sound, Science-Based Regulatory Development

Finally, AMWA urges this subcommittee to remain committed to ensuring that any new national primary drinking water regulations promulgated by EPA are cost-effective, based on sound science, and will present opportunities for public health improvements. Otherwise, establishing drinking water standards without regard to the cost will cause water systems to divert scarce resources and will lead to higher water rates for customers across the country.

For example, while AMWA was supportive of EPA's initial decision to set federal drinking water standards for PFOA and PFOS, the regulations that were promulgated in 2024 will be extremely costly for water ratepayers. A study completed by the Policy Navigation Group on behalf of AMWA estimated that the NPDWR would cost community water systems across the country as much as \$6.4 billion each year—a sum that translates to an additional annual cost of \$1,700 per-household for water systems serving between 501 and 1,000 people. Even for larger water systems that serve more than one million people, AMWA's estimate found that the per-household cost of compliance could average \$110 per year.¹⁵ While these costs may vary from community to community, EPA's NPDWR for PFOA and PFOS will carry significant compliance costs for water systems and their ratepayers across the country. These costs will come as many water systems are already struggling to maintain water affordability in the face of other regulatory and infrastructure renewal challenges.

For future drinking water rulemakings AMWA continues to support the regulatory process mandated by Congress through section 1412 of the Safe Drinking Water Act, as amended by the 1996 Amendments. This statute established a deliberative, transparent, and science-based process through which EPA must consider, propose, and implement national primary drinking water regulations that govern the presence of contaminants in drinking water. Importantly, the law requires EPA to determine that a contaminant subject to a new national standard:

- May have an adverse effect on the health of persons;
- Is known to occur, or there is a substantial likelihood that the contaminant will occur, in public water systems with a frequency and at levels of public health concern; and

¹⁵ <https://www.amwa.net/testimonycomments/amwa-comments-proposed-pfas-national-primary-drinking-water-regulation>

- In the sole judgement of the Administrator, regulation of such contaminant presents a meaningful opportunity for health risk reduction for persons served by public water systems.

These determinations, along with a robust health risk reduction and cost analysis that provides an opportunity to weigh the benefits of a new regulation against the economic costs, are essential pillars of drinking water rulemakings. AMWA urges this subcommittee to maintain this approach of holistically considering costs and benefits of new drinking water rules to ensure that ratepayer dollars are spent in the most effective way possible.

Conclusion

On behalf of AMWA, I thank the subcommittee for the invitation to testify today, and to share the on-the-ground insights of Northern Kentucky Water District. AMWA and its members across the country remain committed to delivering safe, clean, and affordable drinking water to Americans from coast to coast, and we are eager to work with Congress and this subcommittee to facilitate federal, state, and local partnerships in this effort.

Thank you again, and I am happy to answer your questions.