The Latest Water Policy News



ASSOCIATION OF

# monday morning BRIEFING

January 10, 2011

#### HHS And EPA Announce New Recommendation, Information On Fluoride

On Friday, the Department of Health and Human Services (HHS) and EPA made a joint announcement about fluoride in drinking water. HHS proposed a new recommendation for an optimal level of 0.7 mg/L of fluoride for community water fluoridation (www.hhs.gov/news/press/2011pres/01/20110107a. html). The previous recommendation, set in 1962, was a range of 0.7-1.2 mg/L, based on ambient air temperature. The HHS recommendation will be

## This Week In Congress

Legislative activity has been suspended in the House of Representatives this week. On Wednesday, the House will consider a resolution honoring Rep. Gabrielle Giffords (D-AZ) and other victims of Saturday's shooting in Arizona.

The Senate recessed last week after approving a package of parliamentary rules and will not be in session this week. Senators are scheduled to return to Washington on January 25.

open for public comment for 30 days once it is published in the Federal Register.

EPA announced the availability of two peer-reviewed scientific assessments

(http://water.epa.gov/action/advisories/drinking/fluoride\_index.cfm) that were developed in response to the 2006 National Academies of Science *Report on Fluoride in Drinking Water: A Scientific Review of EPA's Standards* (www.cdc.gov/fluoridation/safety/nas.htm). EPA will rely on these assessments as it reviews the existing drinking water MCL to determine whether it should be revised.

AMWA provided additional information about the fluoride announcement in a Bulletin to members on Friday.

## EPA Publishes Lab Response Plan For Coordinated Water Contamination Analysis

To provide the water sector with processes and procedures for coordinated laboratory responses to water contamination incidents, EPA recently released its Water Laboratory Alliance Response Plan. During a natural disaster, terrorist event or accident affecting the water sector, a large number of environmental samples will be generated, possibly overwhelming the capacity and/or capability of any individual laboratory to provide sufficient analytical support.

The Alliance is an integrated nationwide network of laboratories with the analytical capabilities and capacity to support monitoring and surveillance, response and remediation of intentional and unintentional water contamination events involving chemical, biological and radiochemical contaminants. This plan does not obligate laboratories to provide support in a water contamination event, but rather provides a consistent, voluntary approach to how water utility, state and EPA regional laboratories should work together to meet the need for analytical support.

Visit www.tinyurl.com/USEPA-WLAplan to download the plan and related information. WaterISAC Pro subscribers can download the plan from the secure portal by logging in at www.waterisac.org and typing "WLA" in the search box.

#### **Obama Signs "Lead-Free" Legislation**

President Obama last week signed into law a measure to reduce the maximum amount of lead that may be present in pipes and plumbing fixtures that carry drinking water. S. 3874, the "Reduction of Lead in Drinking Water Act," will lower the Safe Drinking Water Act's "lead-free" standard to a weighted average of no more than 0.25 percent lead. The new federal standard will take effect in 2014 and will match the California state standard that was enacted in 2010. Currently, SDWA allows "lead-free" pipes and plumbing fixtures to contain up to eight percent lead. AMWA and other water sector associations supported the measure after ensuring that it would not require utilities or consumers to prematurely replace any pipes or fixtures.

#### **UFI Survey Analysis Underway**

Response to AMWA's 2010 Utility Financial Information survey was up 25 percent from the 2008 survey, as 105 member utilities took part in the project. Analysis of the data is currently underway, and the results will be available by the end of January. Utilities that participated in the survey will have access to the full database to conduct their own tailored analyses. A webinar on uses of the database is planned for February.

# New Year + New Congress = New Water Policy

Save the Date for the AMWA 2011 Water Policy Conference

The November elections remade the look of Congress and will influence how the Obama Administration will regulate drinking water and address climate change, water system security, water quality and other key policy areas for the water sector.

AMWA's 2011 Water Policy Conference will offer utility managers an early opportunity to hear directly from the federal government's new faces and returning leaders.

Speakers and guests will include key members of the House and Senate and influential congressional staff. Other speakers will include senior federal officials with U.S. EPA and the Department of Homeland Security.

Look for more details and registration information in your inbox tomorrow.





ASSOCIATION OF

# monday morning BRIEFING

January 17, 2011

## **AMWA Observes King Holiday**

*Monday Morning Briefing* is being published early in advance of Martin Luther King, Jr. Day on January 17. The AMWA office will be closed Monday in observance of the federal holiday.

#### Silva To Step Down At EPA Water Office

EPA announced that Peter Silva, assistant administrator for the Office of Water, will leave the agency on February 12. Nancy Stoner, currently deputy assistant administrator, will serve as acting

#### **This Week In Congress**

The House of Representatives will attempt to return to normal legislative business this week. The main item on the agenda is a bill to repeal last year's healthcare reform legislation, which is slated for a vote by Wednesday evening.

The Senate remains in recess this week and is scheduled to return to Washington next Tuesday.

assistant administrator. In a letter notifying staff of the change, Administrator Lisa Jackson said, "During his tenure, Pete has led a wide range of important actions to help protect the water we drink and safeguard the health of millions of Americans. We have greatly valued his service, and we offer him our deepest thanks as he prepares to embrace new opportunities." The agency is beginning a search for Silva's successor.

## EPA Releases Guidance For Cr-VI Monitoring But Questions Remain

On January 11, EPA released its promised guidance to utilities about monitoring for hexavalent chromium (Cr-VI) (http://water.epa.gov/drink/info/chromium/guidance.cfm). As reported in AMWA's December 23 *Special Briefing* (http://tinyurl.com/12-23-SpecialBriefing), Administrator Jackson announced last month that the agency would take four specific steps to address Cr-VI, including issuing the guidance.

EPA is not requiring (and cannot require, per the Paperwork Reduction Act) utilities to monitor, nor is EPA requesting monitoring data. In its press release about the guidance, Administrator Jackson said that more information is needed on the presence of Cr-VI in drinking water, and for this reason the agency is providing the guidance to encourage systems to "consider how they may enhance their monitoring for chromium-VI."

The guidance provides information about the locations and frequency for collecting samples. It also provides recommendations for selecting a laboratory to measure Cr-VI and refers utilities having difficulty identifying laboratories to the state of California's Environmental Laboratory Accreditation Program webpage to identify state certified labs. However, these laboratories are not necessarily able to detect Cr-VI at 0.02 ppb with a reporting limit of 0.06 ppb, as the guidance recommends.

On December 31, California released a revised draft public health goal (PHG) for Cr-VI of 0.02 ppb for a

30-day public comment period (http://tinyurl.com/CA-Cr-VI-PHG). Once the state finalizes the PHG, it can proceed with the maximum contaminant level (MCL) process.

In addition to the question of laboratory capacity, questions remain about the health significance of parts per trillion levels of Cr-VI, as well as EPA's plans and timeline for gathering the information needed to potentially revise the chromium standard. In announcing the guidance, EPA said that the MCL for total chromium assumes that the compliance sample is 100 percent chromium-6, indicating, "[t]he current chromium-6 standard has been as protective and precautionary as the science of that time allowed."

## **Appropriator Warns Of EPA Budget Cuts**

The new House Republican majority plans to reduce funding for EPA next year, according to the new chairman of the Interior Appropriations Subcommittee. Rep. Mike Simpson (R-Idaho), who recently took the gavel of the Appropriations subcommittee with jurisdiction over EPA, said the reduction would be part of a broader Republican effort to reduce discretionary federal spending to pre-stimulus, FY 2008 levels.

In his comments, Rep. Simpson said that because EPA received more than \$7 billion in stimulus funding, the agency "can probably absorb more of a [budget] hit" than other federal entities. Simpson also noted a desire to target cuts toward EPA's administrative operations, which could inhibit EPA's "ability to go out and write new rules and regulations."

Congress is expected to begin FY12 budget discussions in earnest in the spring. But any EPA budget cut approved in the House will also have to make it through the Senate, which remains in Democratic control. Sen. Jack Reed of Rhode Island is expected to be named chairman of the Senate Interior and Environment Appropriations Subcommittee, replacing California Sen. Dianne Feinstein, who is thought to be seeking the gavel of the Energy and Water Appropriations Subcommittee. No formal announcement on these assignments is anticipated before the end of the month.

#### EPA Plans January 26 Webcast On Nitrogen, Phosphorus And Algal Blooms

EPA's Watershed Academy will sponsor a free webcast on "Nitrogen and Phosphorus Pollution and Harmful Algal Blooms in Lakes" on Wednesday, January 26, from 1:00 to 3:00 p.m. EST. The webcast will highlight the emerging issue of nutrient enrichment leading to harmful algal blooms – such as blue green algae – in lakes. In some cases, these algal blooms result in increasing costs for drinking water treatment. Case studies on Grand Lake St. Mary's in Ohio and Lake Waco in Texas will be included in the webcast, the first in a series from the Watershed Academy on the issue of nutrients and their impact on water resources.

To register, visit www.epa.gov/watershedwebcasts. Slide presentations can be downloaded prior to the webcast at www.epa.gov/watershedwebcasts.

## CA Proposes Lower Public Health Goal For Perchlorate

The California Office of Environmental Health Hazard Assessment (OEHHA) released for public comment a new draft public health goal of 1 part per billion (ppb) for perchlorate in drinking water. The PHG is similar to the maximum contaminant level goal under the Safe Drinking Water Act in that it is not an enforceable regulatory standard. California's state standard, the MCL, is equal to the PHG and is set at 6 ppb.

The state released for comment its supporting documentation for the new proposed PHG online at http://oehha.ca.gov/water/phg/010711perchlorate.html. OEHHA's press release says that the proposed revision to the PHG is based on new research that indicates infants are more susceptible to the health effects of perchlorate.

There is no federal standard for perchlorate. The Office of Management and Budget recently extended its review of EPA's regulatory determination on the contaminant.

#### House Republicans Fill Slots On Environment And Economy Subcommittee

Republican leaders in the House of Representatives recently announced the roster of the new Environment and Economy Subcommittee, which will have jurisdiction over the Safe Drinking Water Act and several other EPA programs.

In addition to Illinois Rep. John Shimkus, who will chair the subcommittee, the other Republicans on the panel will be Tim Murphy and Joe Pitts of Pennsylvania, Ed Whitfield of Kentucky, Mary Bono Mack of California, John Sullivan of Oklahoma, Charlie Bass of New Hampshire, Bob Latta of Ohio, Cathy McMorris Rogers of Washington, Gregg Harper of Mississippi, Bill Cassidy of Louisiana and Cory Gardner of Colorado. Furthermore, Fred Upton of Michigan and Joe Barton of Texas, chairman and chairman emeritus, respectively, of the full Energy and Commerce Committee, will have seats on each subcommittee, including Environment and Economy.

House Democrats have yet to finalize assignments to the Environment and Economy Subcommittee but are expected to do so within the next few weeks.

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AMWA 2011 Water Policy Conference

*April 10-13* • *The Dupont Hotel* • *Washington, D.C.* 

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## Register now: http://amwa.net/cs/2011WPC

The Latest Water Policy News



ASBOCIATION OF

# monday morning BRIEFING

#### January 24, 2011

#### **Chromium-VI Hearing Planned For Next Week**

Senate Environment and Public Works Committee Chairman Barbara Boxer (D-Calif.) is planning to hold a hearing next week on the reported presence of chromium-VI in drinking water supplies and the pace of EPA's process to determine whether to regulate the contaminant under the Safe Drinking Water Act. According to committee staff, the hearing is planned for February 2.

Sen. Boxer originally announced plans to hold the hearing in December, following the Environmental Working Group's release of a report alleging the presence of chromium-VI in samples of water taken

#### **This Week In Congress**

The House and Senate will meet for a joint session of Congress on Tuesday evening to hear President Obama's State of the Union Address. Additionally, this week the House is scheduled to vote on legislation to reduce non-security discretionary federal spending to fiscal year 2008 levels and to end taxpayer funding for presidential election campaigns.

The Senate will be in session this week, but a schedule of votes had not been announced by the newsletter deadline.

from 31 communities across the country. Boxer also said that she will introduce legislation that would establish a deadline for EPA to set an enforceable drinking water standard for the chemical.

A witness list for the hearing has not been released, but EPA Administrator Lisa Jackson is expected to testify. A representative of the Environmental Working Group may also be invited to appear before the panel.

On the topic of chromium-VI, AMWA issued a member-to-member inquiry (www.surveymonkey.com/s/MilwaukeeWaterWorksChromiumVISampling) from Regulatory Committee Chair Carrie Lewis of Milwaukee Water Works this morning requesting information on members' Cr-VI sampling.

#### Freshman To Chair Water Resources And Environment Subcommittee

Freshman Republican Bob Gibbs of Ohio was chosen last week to chair the House Transportation and Infrastructure Committee's Water Resources and Environment Subcommittee, which has jurisdiction over the federal Clean Water Act and the U.S. Army Corps of Engineers. New York Democrat Tim Bishop will serve as the subcommittee's ranking member.

The complete Water Resources and Environment Subcommittee roster is available at http://transportation.house.gov/Subcommittees/water-members.shtml.

#### **Document Sheds Light On GOP Water Security Plans**

Any water facility security legislation that advances through the House this year should focus on requiring water utilities to update vulnerability assessments and complete site security plans, according to a "backgrounders" document from the House Energy and Commerce Committee's Republican staff that circulated around Capitol Hill last week.

The <u>document</u> summarizes several high-priority issues that will be on the agenda of each Energy and Commerce subcommittee this year. Notably, it explains that the Environment and Economy Subcommittee will have a chance to build on the water security regulations put in place by the Bioterrorism Act of 2002, but recommends that any legislation "should only require water utilities to update and submit their vulnerability assessments and site security plans." The document also warns against providing EPA with additional regulatory authority "that deviates greatly from the security mission authorized by Congress" – a possible reference to previous proposals that would have allowed the federal government to force utilities to implement so-called "inherently safer technologies."

Separately, Rep. Peter King (R-N.Y.), the new chairman of the House Homeland Security Committee, has expressed interest in advancing legislation to extend the Department of Homeland Security's Chemical Facility Anti-Terrorism Standards (CFATS), from which water systems are exempt. Due to jurisdictional issues, however, Rep. King's legislation would likely maintain the water sector exemption, thus providing the Environment and Economy Subcommittee an opportunity to craft a water security bill centered on requiring the updating of existing vulnerability assessments and the completion of site security plans. Under this scenario, oversight of the water security program would remain with EPA, not DHS.

This possible path forward reinforces widespread post-election speculation that any water and chemical facility legislation that moves forward in the Republican House this year will be relatively narrow in scope and will omit references to "inherently safer technologies."

On other issues, the Energy and Commerce "backgrounders" document recommends that the committee engage in strict oversight of EPA – especially on greenhouse gas and hydraulic fracturing regulation – and look into the efficiency of the Superfund program.

#### Interior And Environment Appropriations Subcommittee Membership Finalized

House party leaders have finalized the membership of the Interior and Environment Appropriations Subcommittee, which is charged with allocating funding for the Environmental Protection Agency.

Subcommittee Chairman Mike Simpson (R-Id.) has already announced plans to scale back EPA funding, as part of a larger GOP effort to roll back non-defense discretionary federal spending to fiscal year 2008 levels. The other Republicans on the subcommittee will be Jerry Lewis and Ken Calvert of California, Steve LaTourette of Ohio, Tom Cole of Oklahoma, Jeff Flake of Arizona and Cynthia Lummis of Wyoming.

Virginia's Jim Moran will serve as the lead Democrat on the subcommittee. Joining him on the Democratic side will be Betty McCollum of Minnesota and Maurice Hinchey and José Serrano of New York.

#### House Democrats Round Out Environment And Economy Subcommittee Roster

Texas Congressman Gene Green, a moderate "Blue Dog" Democrat, will serve as the lead Democrat on the House Energy and Economy Subcommittee, which has jurisdiction over the Safe Drinking Water Act and several other EPA programs.

The other Democrats on the subcommittee will be Tammy Baldwin of Wisconsin, G. K. Butterfield of North Carolina, John Barrow of Georgia, Frank Pallone of New Jersey, Diana DeGette of Colorado, and Doris Matsui and Lois Capps of California. In addition, California's Henry Waxman, the lead Democrat on the full Energy and Commerce Committee, will have a seat on each of the panel's subcommittees.

The subcommittee will be chaired by Illinois Republican John Shimkus, who announced the panel's GOP membership earlier this month, as reported in the January 17 issue of *Monday Morning Briefing*.

#### **EPA Seeks WaterSense Award Applications**

EPA announced that the 2011 WaterSense Partner of the Year award application period is open. The program recognizes program members who advance the overall mission "to increase awareness of the WaterSense brand in a measurable way and demonstrate overall excellence in the water efficiency arena." The application is available on the WaterSense partner site –

www2.ergweb.com/wspartner/measuring/awards.html (username: wspartner, password: watersense) – and completed applications must be submitted by April 1. To be eligible for an award, applicants must submit a 2010 annual report by February 11.





ASSOCIATION OF

# monday morning BRIEFING

January 31, 2011

#### Boxer Introduces Bills Directing EPA To Regulate Chromium-6, Perchlorate In Drinking Water

EPA would be given 90 days to issue drinking water health advisories for chromium-6 and perchlorate, and one year to establish an enforceable drinking water standard for each chemical, under a pair of bills introduced by Senate Environment and Public Works Committee Chairwoman Barbara Boxer (D-Calif.) last week.

#### This Week In Congress

Members of the House of Representatives are in their districts this week for a constituent work period and will return to Washington next Tuesday. The Senate remains in session, however, and is expected to debate and vote on a Federal Aviation Administration reauthorization bill.

The bills (S. 78, the "Protecting Pregnant Women and Children From Perchlorate in Drinking Water Act," and S. 79, the "Protecting Pregnant Women and Children From Hexavalent Chromium in Drinking Water Act") closely resemble legislation Boxer introduced in previous years directing EPA to regulate perchlorate, but which did not advance. In addition to requiring regulation within a defined timeframe, the bills would require EPA's health advisories to be "fully protective" of "vulnerable individuals" such as pregnant women, infants and children.

In the past, AMWA has urged caution on legislation that would circumvent the Safe Drinking Water Act's established process for researching and regulating drinking water contaminants. In particular, AMWA has warned Congress against setting arbitrary deadlines for regulation or requiring EPA to use different standards for different contaminants. AMWA will also address this issue when it testifies this week before the Senate Environment and Public Works Committee.

#### AMWA To Testify At Senate Chromium-6 Hearing

AMWA will testify this week before the Senate Environment and Public Works Committee at a hearing examining chromium-6 and other drinking water and public health issues. Carrie Lewis, Superintendent of Milwaukee Water Works, will testify on behalf of the Association.

Committee Chairwoman Barbara Boxer announced plans for the hearing in December, following the Environmental Working Group's release of a report alleging that chromium-6 was present in water samples taken from 31 communities across the nation.

This week's hearing will begin at 10:00 a.m. EST on Wednesday, February 2. A live feed of the hearing will be broadcast at www.epw.senate.gov.

#### AMWA Responds to Hexavalent Chromium Guidance

In response to guidance released by EPA earlier this month, AMWA sent a letter to EPA Administrator Lisa Jackson, voicing its concern that the agency is recommending enhanced monitoring for hexavalent chromium (Cr-VI) without:

- a clear understanding on proper analytical technique and whether the monitoring data will be valid given the method is not officially approved by the agency; and
- a context for what monitoring results mean within the regulatory framework or how they relate to public health concerns.

The letter also asks EPA to disclose its timeframe for moving forward with the regulatory process outlined in the Safe Drinking Water Act (SDWA), since the Administrator has said that EPA is on an "expedited timeline" with regard to Cr-VI. Finally, the letter requests a meeting with the Administrator to further discuss the Cr-VI.

#### **Top Democrats Push For Water Infrastructure Measures**

Two top Democrats on the House Energy and Commerce Committee are urging the committee's new Republican chairman to work with them to pass legislation to reauthorize the Drinking Water State Revolving Fund (SRF) water infrastructure loan program. The committee has jurisdiction over the Safe Drinking Water Act in the House.

In a letter sent last week to Energy and Commerce Committee Chairman Fred Upton (R-Mich.), Reps. Henry Waxman (D-Calif.) and Gene Green (D-Tex.) urged Chairman Upton to work with them to "confront this public health challenge and reauthorize the drinking water SRF." Waxman is the committee's ranking member, and Green is the ranking member on the Environment and Economy Subcommittee. As committee chairman in the last Congress, Waxman worked with Republicans to win House passage of a bill to reauthorize the loan program. In their letter, Waxman and Green pointed to bipartisanship as a key element in passage.

Meanwhile, Senate Water and Wildlife Subcommittee Chairman Ben Cardin (D-Md.) wrote to President Obama last week to urge him to include water infrastructure in a six-year plan for investing in the country's infrastructure announced during the State of the Union Address. A copy of Sen. Cardin's letter is available at http://tinyurl.com/Cardin-letter.

#### AMWA Invites Members To Sign Letter On Protecting Water Quality

As AMWA gears up to advocate in favor of tougher water quality protections in the next Farm Bill, the Association is offering its member utilities an opportunity to sign a letter to Congress signaling the importance of the issue. The <u>letter</u> will be sent to all members of the House and Senate later this month. It is intended to serve as an "opening statement" by a coalition of water utility, conservation and environmental groups that will work together to strengthen policies in the Farm Bill that encourage the agricultural community to protect and improve the quality of nearby waters. Congress is expected to begin preliminary work on the Farm Bill later this year.

Thus far, organizations such as AMWA, NACWA, AWWA, American Rivers and the Sierra Club, as well as several individual utilities and local environmental chapters, have signed the letter. To add your utility to the list, please contact AMWA's Dan Hartnett at hartnett@amwa.net by Friday, February 4.

# Environment And Public Works Committee Announces 112<sup>th</sup> Congress Membership

The Senate Environment and Public Works Committee last week announced its roster for the 112<sup>th</sup> Congress. California Democrat Barbara Boxer will continue to chair the committee, while Oklahoma Republican James Inhofe will continue to serve as the panel's ranking member.

The other members on the Democratic side are Max Baucus of Montana, Thomas Carper of Delaware, Frank Lautenberg of New Jersey, Ben Cardin of Maryland, Bernie Sanders (an Independent who caucuses with the Democrats) of Vermont, Sheldon Whitehouse of Rhode Island, Tom Udall of New Mexico, Jeff Merkely of Oregon and Kirsten Gillibrand of New York.

The other Republicans on the committee are David Vitter of Louisiana, John Barrasso of Wyoming, Jeff Sessions of Alabama, Mike Crapo of Idaho, Lamar Alexander of Tennessee, Mike Johanns of Nebraska and John Boozman of Arkansas.

The panel's subcommittee rosters are expected to be determined in the coming weeks.





ASSOCIATION OF

# monday morning BRIEFING

#### February 7, 2011

#### **EPA Plans Regulation For Perchlorate, VOCs**

Last week EPA announced that it will move forward to develop two new drinking water regulations – one for perchlorate and another for a group of carcinogenic volatile organic compounds (VOCs).

The decision to regulate perchlorate reverses a 2008 decision by the Bush administration not to regulate the contaminant. This will be the first contaminant EPA regulates under the process outlined in the 1996 Safe Drinking Water Act (SDWA) amendments.

#### **This Week In Congress**

The House of Representatives returns to Washington this week and is expected to vote on a Republican-backed measure that would require Congressional approval before any major regulation from an executive branch department or agency could take effect.

In the Senate, consideration of Federal Aviation Administration reauthorization legislation will continue.

In a fact sheet about the regulatory determination, EPA identified the health effect of concern for perchlorate to be disruption of the thyroid's ability to produce hormones needed for normal growth and development. Based on sampling data from the first Unregulated Contaminant Monitoring Rule, more than four percent of water systems detected perchlorate in their treated water. EPA expects that between 5.2 and 16.6 million people may be protected by the future perchlorate rule. Additional information, including the prepublication notice of regulatory determination, is online at http://tinyurl.com/EPAperchlorate.

EPA also announced that, as part of its Drinking Water Strategy, the agency will move toward establishing one drinking water standard to address a group of up to 16 carcinogenic VOCs. These include trichloroethylene (TCE) and tetrachloroethylene (PCE), which were identified as candidates for revision in EPA's 2010 Six Year Review. Other candidates for inclusion are six VOCs currently regulated and up to eight VOCs from EPA's third Contaminant Candidate List: aniline; benzyl chloride; 1,3-butadiene; 1,1-dichloroethane; nitrobenzene; oxirane methyl; 1,2,3-trichloropropane (TCP); and urethane. Additional information about the Drinking Water Strategy, including an update on the agency's accomplishments to date, is available at http://water.epa.gov/lawsregs/rulesregs/sdwa/dwstrategy.

#### AMWA Testifies At Senate Hearing On Chromium-VI, Emerging Contaminants

At a hearing last week on emerging contaminants and oversight of EPA's drinking water regulations, AMWA expressed concerns about how utilities should communicate the results of chromium-VI testing recommended by EPA.

#### Politico Editor To Kick Off AMWA Water Policy Conference

To set the stage for AMWA's 2011 Water Policy Conference, *Politico* cofounder and executive editor **Jim VandeHei** will lead off the program with his observations on the current political climate in the Nation's Capital. Politico, the highly influential "all-politics-all-the-time" web site, commands the attention of millions of readers and the nation's most powerful leaders. At *Politico*, VandeHei directs coverage of the largest teams of White House and congressional reporters in the country. He co-moderated two presidential debates in the 2008 campaign and is a regular commentator on MSNBC's Morning Joe, CBS's Face the Nation and many other cable and network shows.

Scheduled to speak are Sens. **Tom Udall** (D-N.M.) and **John Boozman** (R-Ark.), who serve on the Senate Environment and Public Works Committee, which has oversight of drinking water policy and the DWSRF infrastructure program. Also confirmed are **Nancy Sutley**, chair of the White House Council on Environmental Quality, and **Cynthia Dougherty**, Director of EPA's Office of Ground Water and Drinking Water, which oversees implementation of the Safe Drinking Water Act.

The Water Policy Conference is scheduled for April 10-13 at the Dupont Hotel in Washington, D.C. Online registration, along with additional information and a preliminary program are on AMWA's website at http://amwa.net/cs/2011WPC.

In testimony delivered before the Senate Environment and Public Works (EPW) Committee, AMWA Executive Director Diane VanDe Hei said that in the absence of solid human health data explaining the impact of low-levels of chromium-VI in drinking water, utilities "cannot tell [their] customers what this raw data means for them and their families." VanDe Hei testified in place of Milwaukee Water Works Superintendent Carrie Lewis, who was invited to speak at the hearing but was unable to reach Washington due to snowstorms in the Midwest.

AMWA's testimony also stressed that public health protection is the top priority of drinking water systems, but utilities rely on sound scientific research from EPA to know where to devote limited testing and treatment resources. To that end, AMWA urged Congress to allow EPA to make decisions on whether to regulate drinking water contaminants under the "reasonable and effective" process established by the 1996 SDWA Amendments and not bow to outside pressure highlighted in media reports to force regulation of emerging contaminants.

Much of the hearing focused on the recent Environmental Working Group (EWG) report on the detected presence of chromium-VI in 31 tap water samples collected from across the country and EPA's plans to regulate additional drinking water contaminants. EPA Administrator Lisa Jackson said EPA is "likely" to regulate chromium-VI after completing its health assessment study of the chemical.

Speaking at the hearing, EPW Committee Chairwoman Barbara Boxer (D-Calif.) said it was "disturbing that not one emerging contaminant" has been regulated by EPA since the 1996 SDWA amendments. This lack of regulation, she said, spurred her recent legislation to require EPA to establish enforceable drinking

water standards for perchlorate and chromium-VI within one year. She also praised EWG's chromium-VI report, telling the group, "I am with you all the way."

Republicans on the committee expressed skepticism about the EWG study results, with Ranking Member James Inhofe (R-Okla.) arguing that the group "rejected transparency" by not sharing full testing methodology with communities. Sen. John Boozman (R-Ark.) also cautioned EPA against implementing overly burdensome regulations that would impose high compliance costs on utilities without delivering meaningful health benefits to the public.

#### Senate Swears Off Appropriations Earmarks For Next Two Years

Senate Appropriations Committee Chairman Daniel Inouye (D-Hawaii) announced last week that his panel will not accept earmark requests for FY 2011 and FY 2012 appropriations bills.

Any earmarks attached to spending bills were already expected to face a tough road this year, as Republicans in the House of Representatives have pledged to end the practice in bills approved by that chamber. And last month President Obama used his State of the Union Address to promise to "veto any legislation containing earmarks."

While Sen. Inouye maintained his support for "the Constitutional right of members of Congress" to request earmarks, he said that "the handwriting is clearly on the wall" that no earmarks would become law this year and therefore continuing to accept earmark requests would be meaningless.

While the moratorium applies to spending requests attached to annual appropriations bills, it is less clear how members will approach individual project authorization requests, which are attached to bills such as the Water Resources Development Act (WRDA). WRDA authorizes spending but does not appropriate money, so the law still allows members of Congress to direct federal resources toward specific local projects.

## House GOP Eyes \$32 Billion In Budget Cuts

House Republican leaders will propose to cut spending by \$32 billion below enacted fiscal year 2010 levels, according to an outline released by House Appropriations Committee Chairman Hal Rogers (R-Ky.).

Chairman Rogers' outline does not specify by what amount various programs might be cut, but instead lists how much money each Appropriations subcommittee will have to work with as they finalize their FY11 spending plans. The 2011 fiscal year began last October, but the federal government has been operating under a series of short-term extensions, with the latest scheduled to expire on March 4. House Republicans hope to bring their final FY11 appropriations package to the House floor next week.

The Interior and Environment Subcommittee would see its allocation cut by eight percent from the FY10 enacted level, from \$32.2 billion to \$29.6 billion. It is not yet clear how much of that reduction might come from EPA's budget, but House Republicans have previously said that the agency is due for funding cuts because of the large infusion of cash it received from the stimulus bill.

#### Lautenberg Plans Legislation Requiring Greater Unregulated Contaminant Monitoring

New Jersey Democratic Senator Frank Lautenberg used last week's EPW Committee hearing to announce plans to introduce legislation that would require additional testing of drinking water for unregulated contaminants.

Sen. Lautenberg said that in spite of the progress made to improve water quality over the past few decades, there are "too many people still drinking water contaminated with dangerous pollutants" such as gasoline additives and pesticides. He also argued that EPA's current drinking water standards are too weak because under the Bush Administration "EPA sat on its hands and decided not to regulate" additional chemicals.

EPA Administrator Lisa Jackson responded positively to Lautenberg's description of his bill, though she said that new water monitoring requirements should always be "balancing the burden on water systems with the potential threat to human and public health."

#### House Letter To EPA Questions Diesel Use In Fracking Operations

Members of the House Energy and Commerce Committee sent a letter to EPA Administrator Lisa Jackson on January 31 with results of their investigation into the use of diesel in hydraulic fracturing ("fracking") operations. The letter notes that between 2005 and 2009, 12 of the 14 oil and gas service companies that provided the Committee with data used nearly 32 million gallons of diesel in their fracking operations.

The letter states that the use of diesel appears to be an area of significant noncompliance with the SDWA, as no permits have been sought for its use in fracking. The letter urges Jackson to "examine the use of hydraulic fracturing fluids containing diesel fuel as part of your investigation into the industry's practices." The letter, signed by Reps. Henry A. Waxman (D-Calif.), Edward J. Markey (D-Mass.) and Diana DeGette (D-Colo.), is available at http://democrats.energycommerce.house.gov/.

EPA's website (http://tinyurl.com/OW-frackreg) notes that although hydraulic fracturing is excluded from underground injection control regulation under the SDWA, "the use of diesel fuel during hydraulic fracturing is still regulated by the UIC program."

#### Paper Asks Whether Free-Living Amoebae In Drinking Water Present Health Risk

A recent paper co-authored by an EPA scientist synthesizes 26 studies about free-living amoebae (FLA) in treated drinking water systems and found that the microorganisms were "consistently detected" in 45 percent of the studies. The paper, "Do Free-Living Amoebae in Treated Drinking Water Systems Present an Emerging Health Risk?" (Thomas and Ashbolt, *Environ. Sci. Technol.*, 2011, 45 (3), pp *860–869*), suggests that the presence of FLA increases both the numbers and virulence of human-pathogenic, amoeba-resisting microorganisms in water. The review suggests that FLA present a "yet unquantified emerging health risk" and that additional information is needed to quantify the occurrence of FLA and assess the potential human health impacts and risks.





ASSOCIATION OF

# monday morning BRIEFING

#### February 14, 2011

# New UFI Database Available, Webinar Scheduled

The database developed from AMWA's 2010 Utility Financial Information (UFI) survey is now available for access by member utilities that completed the survey. The database, in Excel format, also includes the data submitted in the 2008 UFI survey to facilitate trending and comparisons between the two time periods. It can be downloaded from the UFI page on AMWA's website using pass codes that were emailed to survey participants on February 9.

#### Mark your calendar for Tuesday, March 1, at

#### This Week In Congress

The House this week is expected to consider a continuing resolution that would establish spending levels for federal departments and agencies for the remainder of the 2011 fiscal year.

In the Senate, members will continue consideration of amendments to the Federal Aviation Administration reauthorization bill. Senators may also consider legislation to extend expiring provisions of the USA Patriot Act.

**2:00 p.m. ET**, when AMWA will sponsor a free webinar to help utilities mine the UFI database for valuable utility-specific information and customized analyses. Peiffer Brandt and Rocky Craley from Raftelis Financial Consultants, AMWA's survey contractor, will discuss creative ways to use the UFI data for utility financial planning and benchmarking. Questions about the UFI database and webinar can be referred to Carolyn Peterson, peterson@amwa.net or 202-331-2820.

## GOP Proposes To Cut \$557 Million From DWSRF Program

Seeking to follow through on campaign promises to drastically cut federal spending, House Republican leaders last week released a plan to slash the federal government's FY11 budget by \$100 billion compared to President Obama's request. Under the proposal, EPA would face a funding level about \$3 billion below its FY10 appropriation of \$10.3 billion – a 29% reduction. The Drinking Water and Clean Water State Revolving Fund (SRF) programs would be hard-hit, with cuts totaling \$1.967 billion compared to FY10.

House Republican leaders plan to hold a vote this week on a continuing resolution including the cuts that would fund the federal government for the remainder of the fiscal year, which runs through September. The government is currently operating under a temporary extension of FY10 appropriations, which are scheduled to expire on March 4.

According to the plan released by the House Appropriations Committee late Friday afternoon, the DWSRF would receive \$830 million in FY11. This represents a \$457 million cut from the \$1.287 billion requested by President Obama for the fiscal year and is \$557 million below the program's FY10 funding

level of \$1.387 billion, which represented an all-time high. If enacted, the cut would reduce DWSRF funding to roughly the same amount the program received in FY09.

The Clean Water SRF would experience an even larger cut, with Republicans proposing to trim \$1.31 billion from Obama's request of \$2 billion. This would leave the program with \$690 million, about the same as its FY09 level. The CWSRF received \$2.1 billion in 2010.

The House proposal will not be the final word on the FY11 budget, as the Democrat-controlled Senate will have a chance to weigh in with its own spending plan. But leaders in both chambers will feel pressured to reach a deal before March 4 in order to avoid a government shutdown.

Meanwhile, the 2012 budget process is slated to begin before the FY11 plan is finalized, as President Obama is expected to release his FY12 budget blueprint today.

#### Perchlorate Federal Register Notice Published

On February 11, EPA published its official regulatory determination for perchlorate in the *Federal Register*. A link to the *Federal Register* site as well as the perchlorate docket and additional information is at http://tinyurl.com/EPAperchlorate. AMWA's February 2 bulletin about EPA's determination announcement is online at http://amwa.net/cs/bulletins.

#### DC Water Testifies At Hearing On Chemical Facility Security

The General Manager of DC Water discussed the utility's experience in changing disinfectants at its Blue Plains Wastewater Treatment Plant from chlorine gas to sodium hypochlorite during a House subcommittee hearing last week but stressed that individual water system managers are best positioned to select the optimal disinfectant chemical for their own utilities.

Testifying before a hearing of a House Homeland Security subcommittee, DC Water General Manager George Hawkins said that the utility had formulated plans to change wastewater disinfectant chemicals prior to 9/11, but decided to accelerate the process after the terrorist attacks. Hawkins testified that the utility had a temporary sodium hypochlorite disinfection system up and running roughly two months after the attacks and completed work on a permanent system about two years later. As a result, he said DC Water had "effectively removed the threat of harmful exposure [to chlorine gas] for 1.7 million people living near the Blue Plains plant."

However, Hawkins cautioned against using DC Water as an example to demonstrate that any water system in the country could make a similar switch. Instead, he said, "Individual water system operators must ... choose disinfection methods based on local water quality conditions, climate, physical limitation of plant location, cost, . . . and the needs and resources of the communities they serve." Based on these factors, Hawkins said that the "use of alternative chemicals may not be possible" for all water systems.

Hawkins' position echoes that of AMWA, which has consistently opposed measures that would allow the federal government to force local water systems to begin using different disinfection chemicals or processes. The new Republican House majority largely backs this position, so facility security legislation that includes so-called "inherently safer technology" mandates has virtually no chance of passing Congress this year.

#### Homeland Security Subcommittee Chairman "Agnostic" On Water's CFATS Exemption

Rep. Daniel Lungren (R-Calif.), chairman of the House Homeland Security Committee's Subcommittee on Cybersecurity, Infrastructure Protection, and Security Technologies, said during last week's hearing on chemical facility security that he is "agnostic" on the issue of whether to include water and wastewater facilities in the Department of Homeland Security's CFATS program.

Lungren spoke in response to Rep. Laura Richardson (D-Calif.), who asked whether water systems should be regulated by DHS under a future extension of CFATS. Rep. Lungren responded that he believes a CFATS extension should not include "inherently safer technology" requirements, but that he is "agnostic on the water issue."

Generally, members of the Homeland Security Committee have favored including water systems under CFATS, while members of committees that oversee EPA activities have supported continuing the water and wastewater exemption. AMWA has opposed subjecting water systems to duplicative security regulations from multiple federal agencies and has favored EPA retaining its oversight of drinking water system security.

Earlier at the hearing, DHS Under Secretary of National Protection and Programs Directorate Rand Beers testified that "roughly 6,000" water and wastewater facilities might be subject to DHS regulation through CFATS if not for the exemption. Beers did not say how the Department reached the estimate but noted that at present 4,755 high-risk chemical facilities nationwide are subject to CFATS.

#### EPA Submits Draft Hydraulic Fracturing Study Plan To Advisory Board

EPA announced last week that it sent its draft study plan on the relationship between hydraulic fracturing (fracking) and drinking water to its Science Advisory Board (SAB) for review. Congress directed EPA to undertake the study, which is expected to begin as soon as possible after the SAB review. Preliminary findings will be released by the end of next year and the final report will be released in 2014.

The scope of the proposed study includes a full lifecycle analysis of the use of water in the fracking process – from water acquisition through the mixing of chemicals, the water injection stage, the management of flowback water from the well and finally to the treatment and disposal of any water used.

The SAB meeting will be March 7-8 in Alexandria, Virginia. The meeting is open to the public. Additional information about the draft study plan and the SAB charge are online at www.epa.gov/hydraulicfracturing. Additional information about the public meeting is in the February 8 *Federal Register*: http://www.gpo.gov/fdsys/pkg/FR-2011-02-09/html/2011-2873.htm.

#### House Member Reintroduces Endocrine Disruptor Bill

Rep. Ed Markey (D-Mass.) last week reintroduced a bill requiring EPA to test certain chemicals that may be found in drinking water for potential effects on the human endocrine system. The House of Representatives approved a similar measure last year as part of a larger Drinking Water SRF authorization, which ultimately died in the Senate.

This year's "Endocrine Disruptor Screening Enhancement Act" (H.R. 553) would update a 1996 law focused on testing pesticides that come into contact with food. The new bill would require EPA to screen

non-pesticide chemicals that may be found in drinking water and to formulate a plan for identifying substances to be tested. The legislation would allow EPA to fast-track testing of chemicals that are found in drinking water, are exposed to large populations, or are suspected to be or have structural similarities to endocrine disruptors. The bill would also allow the public to petition EPA to test or fast-track certain chemicals.

Last fall EPA unveiled a list of 134 chemicals that would be submitted for screening by manufacturers for their endocrine-disrupting effects, but according to Rep. Markey, that testing has not yet begun.

#### AMWA Podcast Update

An online video highlighting the latest issue of AMWA's *Regulatory Report* can be accessed from the AMWA website at www.amwa.net/cs/news/podcasts. The issue includes updated information on federal activities regarding chromium-VI.

#### **Applicants Sought For Sustainable Communities Effort**

EPA, in collaboration with the Department of Housing and Urban Development and the Department of Transportation, announced it is seeking applicants for the Sustainable Communities Building Blocks program to help communities set and achieve sustainable planning. Communities selected for the program will participate in a day-long session focused on several tools for making communities more environmentally friendly, "including zoning code reviews, walkability assessments, parking policy analysis, climate action planning and commuter benefits." Direct consultation on specific barriers to smart growth and/or sustainable community development will also be available. Applications are being accepted through February 23. More information, including instructions about how to apply, is available at www.epa.gov/smartgrowth/buildingblocks.htm.



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# monday morning BRIEFING

#### February 21, 2011

#### **Congress, AMWA Observe Presidents Day**

The House and Senate are in recess this week in observance of the Presidents Day holiday. Members of both chambers will return to work in Washington next week. *Monday Morning Briefing* is being published early in advance of the February 21 holiday, and the AMWA office will be closed Monday.

#### House To Vote On CR As Senate Appropriator Criticizes GOP's SRF Cuts

As the House of Representatives moved toward a final vote late last week on the FY11 continuing resolution (CR) that promised to slice \$100 billion from President Obama's 2011 budget request, the Democratic chairman of the Senate Appropriations Committee criticized the "severe" budget cuts that would befall the Drinking Water and Clean Water State Revolving Fund (SRF) programs.

In a <u>statement</u> released last week, Senate Appropriations Committee Chairman Daniel Inouye (D-Hawaii) said many cuts included in the House CR were made "not because programs were ineffective or wasteful, but out of desire to meet an arbitrary dollar figure." Inouye went on to argue that the CR's \$557 million cut to the DWSRF would eliminate funding for 214 infrastructure projects across the country, based on the average amount of SRF funds awarded to typical projects. The proposed \$1.4 billion cut to the CWSRF would take funding away from 454 sewer projects, he said.

AMWA also weighed in against the cut, signing a <u>letter</u> along with other water and environmental organizations urging support for full funding of President Obama's FY11 request for SRF funding.

#### UFI Database Training Webinar – March 1

AMWA will host a webinar to help members get the most from the recently released 2010 Utility Financial Information (UFI) database.

Plan to join the free, one-hour session on Tuesday, March 1, at 2:00 p.m. EST. The program will provide a brief review of the data and a discussion of the types of analyses a utility can conduct using the database to develop financial information tailored to its specific needs for planning, benchmarking or other financial activities.

Pre-registration is not required; simply follow these steps to join the webinar on March 1:

1. About 5 minutes before the start time, disable your pop-up blocker and go to www.infiniteconferencing.com/Events/AMWA (case sensitive)

- 2. Type in Participant Code: 835227
- 3. Fill in other blanks
- 4. Dial the conference line: (888) 880-7224
- 5. Enter Participant Code at prompt: 835227 #

Participants are encouraged to submit, in advance of the webinar, questions about the database or suggested analyses they would like to see addressed. Send your advance questions to rcraley@raftelis.com by February 24.

The webinar will be recorded and made available on the AMWA website following the event. For more information, contact Carolyn Peterson (peterson@amwa.net or 202-331-2820). While the House is expected to approve its CR, the measure is widely considered dead on arrival in the Senate. The Senate Appropriations Committee is expected to release its own FY11 funding proposal as early as this week, but concerns are growing on Capitol Hill over the chances of a government shutdown if Democrats and Republicans cannot agree on a spending plan before funding runs out on March 4.

#### President's 2012 Budget Proposal Cuts Deep

President Obama released a \$3.72 trillion budget proposal for the 2012 fiscal year last week that would reduce funding for a host of government programs – including water infrastructure programs at EPA and the U.S. Army Corps of Engineers. The President explained that the cuts were part of plan to put a five-year freeze on overall non-security discretionary spending with the goal of cutting the federal budget deficit in half in two years. Some notable budget cuts facing the water sector are summarized below:

• Drinking Water/Clean Water State Revolving Funds: President Obama's budget would provide a total of \$2.54 billion for the SRFs in 2012, nearly \$950 million less than the \$3.487 billion the two programs received in 2010. The proposal would leave the DWSRF with \$990 million next year (compared to \$1.387 billion in 2010), while providing the CWSRF with \$1.55 billion (compared to \$2.1 billion in 2010). Is also recommends requiring states to reserve 10 percent of their DWSRF funds and 20 percent of CWSRF funds for "green infrastructure" projects.

EPA Administrator Lisa Jackson defended the proposal last week, saying that the 2012 request would return SRF funding to a "sustainable level" after the programs received sharp increases in 2010 and were further boosted by the economic stimulus legislation. Obama is also asking Congress to drop \$157 million of water infrastructure earmarks, which is likely to occur as leading appropriators in both the House and Senate have pledged to avoid earmarking next year.

- U.S. Army Corps of Engineers: The Corps' budget would take a \$913 million hit, receiving \$4.609 billion compared to \$5.522 billion in 2010. A summary of the proposed Corps budget explains that the request seeks "to create cost savings by eliminating duplicative and lower-priority programs, including all Corps funding of local water and wastewater treatment projects." About \$537 million of the proposed cut would come from the Corps' construction account.
- Interior Department: The Interior Department would escape the budget axe roughly unscathed overall, as Obama is proposing \$12 billion for the department about the same as it has received in previous years. But the U.S. Geological Survey would see its funding cut to \$1.018 billion (from \$1.112 in 2010), and the Bureau of Reclamation would receive \$1.051 billion (compared to \$1.14 billion in 2010).

The release of the President's budget represents only the first step in the 2012 budget process. Already, many conservative members of Congress are complaining that the cuts do not go far enough and are looking ahead to April when the Republican Chairman of the House Budget Committee, Paul Ryan (Wis.), will release his own 2012 spending plan.

#### **AMWA Comments On Fluoridation Recommendation**

AMWA submitted comments on February 14 to the Department of Health and Human Services (HHS) regarding its proposed recommendation to change the optimal concentration for community water

fluoridation. AMWA's letter focused on asking HHS to update the 1995 document *Engineering and Administrative Recommendations for Water Fluoridation*. The letter also encourages HHS to continue to work with EPA to share information as EPA will likely move forward with a revision of the fluoride MCL in the future. A copy of AMWA's letter is available on the Regulatory Committee page: http://tinyurl.com/AMWA-RegCmte. The final fluoridation recommendation is expected in late spring or summer.

#### EPA Plans Meeting on Environmental Justice; SAB Seeks Nominations for EJ Panel

EPA announced in the February 15 *Federal Register* (76 *FR* 8674) that it will hold a public meeting on March 3 from 10 a.m. to 5 p.m. in Washington, D.C. to discuss environmental justice (EJ) considerations related to several upcoming drinking water regulatory efforts, including the Lead and Copper Rule, perchlorate and carcinogenic VOCs. Individuals interested in attending the meeting in person or via teleconference must register in advance by contacting Junie Percy at (937) 427-4148, ext. 210, or by sending an e-mail to junie.percy@itsysteminc.com no later than Monday, February 28. EPA's contractor will send a confirmation e-mail to registrants including the meeting location or call in information.

Additionally, the EPA Science Advisory Board (SAB) is seeking nominations for experts to serve on the SAB EJ Technical Guidance Review Panel. EPA is developing guidance to direct analysts and decision makers on how to integrate environmental justice in regulatory development.

Nominations are due by March 7, and additional information is in the February 14 *Federal Register*: www.gpo.gov/fdsys/pkg/FR-2011-02-14/html/2011-3278.htm.

#### Cardin, Sessions To Lead Water And Wildlife Subcommittee

The Senate Environment and Public Works (EPW) Committee last week announced its subcommittee rosters for the 112<sup>th</sup> Congress, putting one old and one new face at the head of the panel that oversees drinking water policy.

Maryland Democratic Senator Ben Cardin will continue to chair the Water and Wildlife Subcommittee, which holds jurisdiction over the Safe Drinking Water Act, the Clean Water Act and other wetlands-related issues. The subcommittee also has oversight of water infrastructure and water facility security legislation.

Sen. Jeff Sessions of Alabama, a newcomer to the EPW Committee, will serve as the Ranking Republican on the Water and Wildlife Subcommittee. Sen. Sessions replaces former Ranking Republican Mike Crapo (R-Idaho), who took the lead Republican slot on the Superfund, Toxics, and Environmental Health Subcommittee.

In a statement accompanying the subcommittee announcements, EPW Chairman Barbara Boxer (D-Calif.) said the committee's priorities for the year include "a new Water Resources Development Act to address crucial flood control needs and other water projects, and taking steps to ensure our children and families are safe from dangerous toxins in the environment."

The Latest Water Policy News



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February 28, 2011

#### Senators Introduce Critical Infrastructure Cybersecurity Bill

Senate Homeland Security Committee Chairman Joe Lieberman (I-Conn.) and Ranking Member Susan Collins (R-Maine) earlier this month reintroduced a bill that is intended to protect the nation's most sensitive critical infrastructure against cyber attacks. S. 413, the "Cybersecurity and Internet Freedom Act," would create a new National Center for Cybersecurity and Communications (NCCC) within DHS to work with other federal agencies and stakeholders in charge of critical infrastructure to ensure that adequate protections against cyber attacks are in place.

The legislation would apply to critical infrastructure assets that appear on the DHS Prioritized Critical Infrastructure List, that rely on computer networks for their operation, and whose failure would cause "regional or national catastrophic effects." It has been reported that the DHS list includes roughly 600 critical infrastructure assets across the country, although it is not clear how many of these may be components of water systems.

#### **This Week In Congress**

The House and Senate return to Washington this week and face a Friday deadline to agree on an appropriations bill to avoid a government shutdown. With the Housepassed seven-month continuing resolution (CR) unacceptable to the Senate, House Republicans have floated a two-week CR that includes about \$4 billion in budget cuts. Senate Democrats, meanwhile, generally favor more modest reductions. If a deal is not reached by Friday, the lack of funding will force the federal government to suspend non-essential operations.

In other business, the House is expected to vote on an extension of current highway policy laws and a measure to repeal the 1099 reporting section of last year's healthcare reform legislation, which many members fear would be burdensome to small businesses. The Senate will begin consideration of a patent reform bill.

Under the bill, NCCC and sector-specific agencies would identify cyber vulnerabilities of covered critical infrastructure assets and would formulate risk-based security performance requirements for computer systems that operate those assets. Owners and operators of the covered assets would then select and implement cybersecurity measures that satisfy the regulations. The government would have no power to force the adoption of any particular security measure, but NCCC could make recommendations to help operators meet the requirements of their sector. Every year, infrastructure operators would certify to NCCC that they are following the cybersecurity measures they selected. While sector-specific agencies such as EPA would play a role in overseeing compliance, the bill would grant them no additional regulatory authority on cybersecurity issues.

The legislation would also authorize the President to declare a "national cyber emergency" in the event of an identified threat against a network that operates critical infrastructure. During an emergency, the President could order covered critical infrastructure operators to execute pre-designed cyber emergency

plans intended to preserve network security. This presidential authority would be limited to 30 days, and network operators that comply with the directives would be eligible to receive liability protections, such as limitations on some damages or immunity from lawsuits.

#### EPA Seeks Public Input On Developing Its Regulatory Review Plan

In response to President Obama's Executive Order (EO) 13563, *Improving Regulation and Regulatory Review* (76 *FR* 3821), EPA published a *Federal Register* notice on February 23 (76 *FR* 9988, http://tinyurl.com/FR2011-EPAregreview) asking for public input on how to design its regulatory review plan. EO 13563 directs each federal agency to review all its existing regulations to see if any are too costly or have outlived their usefulness. The EO asks each agency to consider "how best to promote retrospective analysis of rules that may be outmoded, ineffective, insufficient, or excessively burdensome."

EPA also has a website (www.epa.gov/improvingregulations) with additional information about the effort. The website suggests that the public provide comment in specific categories: issue or impact (e.g., benefits and costs, flexible approaches, innovative technology), program area (such as water) or general ideas.

AMWA's Regulatory Committee is currently considering how to comment on this initiative. If you have any suggestions about EPA regulations that could be improved or streamlined, please email Erica Brown (brown@amwa.net) by March 3.

#### **Communicating About Cr-VI**

As AMWA members consider monitoring for Cr-VI, many are looking for ideas and assistance about how to communicate monitoring results with the public. To assist the membership by sharing information, AMWA plans to set up a password-protected webpage with links to utility sites that have crafted messages to accompany their monitoring results. If you have a link to your utility site you would like to share, please e-mail it to Erica Brown (brown@amwa.net).

## March 1 Webinar Focuses On Using AMWA's Utility Financial Database

On Tuesday, March 1, AMWA will host a webinar to help members get the most from the recently released 2010 Utility Financial Information (UFI) database. The free, one-hour session will begin at 2:00 p.m. EST. The program will include organizing data sets, using the new 2010 data for utility-specific analyses and trending between the 2008 and 2010 databases. Among the analyses to be addressed are:

- different ways of looking at residential customer monthly bills;
- types of rate structures for residential and commercial customers;
- how utilities plan using 10-year CIP projections; and
- affordability programs.

Pre-registration is not required, and the webinar will be recorded and made available on the AMWA website for anyone unable to participate.

To join the webinar:

- 1. About 5 minutes before the start time, disable your pop-up blocker and go to http://www.infiniteconferencing.com/Events/AMWA (case sensitive)
- 2. Type in Participant Code: 835227
- 3. Fill in other blanks
- 4. Dial into the conference line: (888) 880-7224
- 5. Enter Participant Code when prompted: 835227 #

#### Proposed Forest Service Rule Seeks To Incorporate Adaptive Management

The National Forest Service (NFS) proposed a rule on February 14 (www.fs.usda.gov/planningrule) aimed at bringing its nearly 30-year-old land management planning process into the 21<sup>st</sup> century. The proposal is designed to guide NFS land management plans that promote "healthy, resilient diverse and productive" national forests and grasslands. NFS lands include aquifer systems, streams and lakes that together serve as "the source of drinking water for more residents of the U.S. than any other source."

The rule proposes an adaptive management framework aimed at enabling more frequent updates of management plans as on-the-ground conditions change. The proposal cites climate change as a potential cause of changing environmental conditions. Under the rule, land management plans would include components to maintain, protect and restore water supplies, ground water and sole source aquifers on NFS lands. The rule also would require plan components that address maintaining or restoring ecosystem and watershed health and resilience. Plans would also include components to contribute to social and economic sustainability.

The NFS is hosting public meetings around the country about the proposal throughout the comment period. Additional information about the public meetings is available online at www.fs.usda.gov/planningrule. Comments on the proposal are due May 16, 2011.

#### **CDC** Publishes Water Preparedness Recommendations

Water preparedness recommendations were highlighted in a recent report issued by the U.S. Centers for Disease Control and Prevention (CDC). The report resulted from a study requested by the Alabama Department of Public Health following a January 2010 incident in which approximately 18,000 residents of two rural counties in Alabama lost access to municipal water for approximately 12 days after below-freezing temperatures led to breaks in water mains and residential water pipes causing widespread mechanical failures. CDC conducted a survey of 470 households to assess potential health impacts, use of alternative water sources and effectiveness of the emergency response.

Survey results showed that most residents were ill-prepared for a water-related emergency and many did not receive boil advisory information until they had already consumed unboiled tap water. Additionally, community emergency preparedness planning had not included collaboration with water utilities, plans had not outlined a clear chain-of-command structure and boil water notifications procedures, and emergency water distribution did not meet the needs of vulnerable populations. CDC's report and recommendations are online at www.cdc.gov/mmwr/PDF/wk/mm6006.pdf.

#### New AMWA Podcasts Available

The latest issues of AMWA's *Congressional Report* and *Water Utility Executive* are discussed in new podcasts that can be accessed from AMWA's homepage: www.amwa.net.

The Latest Water Policy News



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# monday morning BRIEFING

# March 7, 2011

# EPA Proposes 30 Contaminants For UCMR 3

EPA proposed the third Unregulated Contaminant Monitoring Rule (UCMR 3) in the March 3 *Federal Register*. As detailed in AMWA's Bulletin 11-03 (www.amwa.net/cs/bulletins), the proposed list includes 28 chemical contaminants for large systems to monitor, the majority of which are on the Contaminant Candidate List. EPA would select a number of small systems to monitor for the two viruses on the list.

#### **This Week In Congress**

The House this week will consider legislation to phase out several housing policy programs that majority Republicans argue are ineffective. The chamber will also host a joint session of Congress for a visit from the Prime Minister of Australia.

In the Senate, a final vote is expected this week on a bill to reform patent law.

Comment is requested on whether hexavalent chromium (Cr-VI) should be included in the list of chemicals to be monitored and if so, which chemical should be removed from the list, since the SDWA allows for no more than 30 contaminants on the UCMR list. EPA also asks what analytical methods should be used to measure Cr-VI and whether the agency should require total chromium monitoring alongside Cr-VI sampling, stating: "Side-by-side measurements may provide valuable information on relative occurrence and the utility of total chromium monitoring as a surrogate for chromium-6."

EPA also requests comment on several proposed changes from UCMR 2. Among the changes are:

- a requirement for monitoring based on retail population, which would mean that purchased water systems would be required to monitor;
- a clarification of representative ground water sampling locations; and
- a requirement for the collection of metal and chlorate samples at distribution system maximum residence time sampling locations.

Comments are due by May 2. AMWA will work with the Regulatory Committee and other interested AMWA members to develop comments on EPA's proposal and will provide a draft letter within the coming weeks for utilities to consider using as they develop their own comments. Members with comments on the proposal are encouraged to send them to Erica Brown (brown@amwa.net).

## **Chromium-VI Information Page Available**

An AMWA webpage with links to utility webpages that communicate monitoring results for Cr-VI is now available to members at amwa.net/cs/temp\_pages/chromiumvi\_information\_page. The page also includes information from two state agencies. If you have a link to your utility site you would like to share, please e-mail it to Erica Brown (brown@amwa.net).

#### Senators Express Mixed Feelings Over Proposed EPA Budget Cuts

EPA Administrator Lisa Jackson took to Capitol Hill last week to defend President Obama's request to cut \$1.3 billion from the agency's FY12 budget, even as senators offered differing views as to whether proposed cuts to water infrastructure programs would come to pass.

Appearing before the Senate Environment and Public Works (EPW) Committee, Jackson said that EPA's FY12 budget request of \$8.97 billion – which is \$1.3 billion below its FY10 funding level and includes nearly \$1 billion in cuts to the Drinking Water and Clean Water State Revolving Fund (SRF) programs – represents a "tough choice." But given the current time of fiscal challenges, the proposal will "allow the agency to maintain its core programs," she said.

EPW Committee Chairman Barbara Boxer (D-Calif.) echoed the Administrator's sentiments, saying that she "respects" that the President's budget attempts to responsibly rein in spending. Sen. Boxer also appeared to accept the proposed reduction in SRF funding, noting that the proposed cut comes "after significant increases in recent years that make these reductions more manageable."

But EPW Ranking Republican James Inhofe (R-Okla.) called the EPA budget a "fiscal bait-and-switch" because programs targeted for significant cuts like the SRF enjoy significant bipartisan support in Congress. "You can bet these cuts will be restored," he said, "because many of my colleagues believe these are worthwhile programs."

The House Energy and Commerce Committee is expected to hold its own hearing on EPA's proposed 2012 budget this week.

#### EPA Inspector General Discusses Concerns On Infrastructure Upkeep, Cybersecurity

Major management challenges facing EPA include rapidly aging water and wastewater infrastructure and a limited capability to respond to cyber attacks, according to congressional testimony delivered by the agency's Inspector General last week.

Appearing before the House Interior and Environment Appropriations Subcommittee, EPA Inspector General Arthur Elkins said that the federal government "lacks a national approach" for closing the estimated \$300-\$500 billion funding gap for water and wastewater infrastructure over the next 20 years. Because the funding EPA receives to help finance infrastructure improvements is small when compared to the gap, Elkins said that EPA should take the lead in organizing a coherent federal water infrastructure strategy.

Elkins also testified that EPA is a growing target for cyber criminals and that the agency has "reported that over 5,000 servers and user workstations may have been compromised as a result of recent cybersecurity attacks." In spite of this, EPA has limited capacity to respond to these attacks and "does not have sufficiently trained personnel" necessary "to promptly identify and effectively remedy ongoing cyber threats," he told the House panel.

Elkins said that the Inspector General's office is working with EPA to develop an internal Memorandum of Understanding to clarify how these cyber threats might be more effectively addressed. A copy of Elkins' testimony is available at http://tinyurl.com/ElkinsTestimony.

#### **Obama Signs Measure To Fund Government Through March 18**

Congress and the Obama Administration averted a government shutdown last week when they agreed on a two-week appropriations bill that cuts federal spending by \$4 billion. The measure funds the government through March 18, and gives Democrats and Republicans some breathing room to work toward a long-term spending bill to cover the remainder of the 2011 fiscal year.

The bill achieved its cuts by targeting earmarks and accelerating some spending reductions that Obama requested in his fiscal 2012 budget. The bill does not reduce any funding for EPA, but it does eliminate some U.S. Army Corps of Engineers dollars that would otherwise have been spent on earmarked projects.

Congressional Republicans still hope to cut as much as \$60 billion from the federal budget this year, compared to FY10 spending levels. Given the potential scope of these cuts, EPA and the SRF water infrastructure programs are likely to see some reductions before the FY11 budget is finalized.

#### Planned UFI Database Update Provides Opportunity To Correct 2010 Data

As AMWA members delve into the newly released 2010 Utility Financial Information (UFI) database, a number of survey participants are finding data entries that require correction. In order to provide the most accurate and useful data, AMWA will accept changes to the database through March 25 and will issue a revised version of the 2010 database in early April.

Members who completed the 2010 survey are encouraged to access the database and review the data they submitted. If any changes are needed, please send the corrected information to Carolyn Peterson at peterson@amwa.net by March 25.

#### WaterISAC Schedules Webinar On Communications, IT, SCADA Security

WaterISAC will host a free, two-part webinar series for Pro subscribers, presented by Westin Engineering, to help utility managers and technical staff overcome key challenges in improving utility information and communications security, including SCADA and IT assets.

The first session, Wednesday March 30 from 2:00-3:00 p.m. EDT, will focus on helping upper management gain an understanding of the critical cybersecurity issues affecting utilities, as well as the management and operational controls for security issue mitigation and improvement.

The second session, Wednesday April 6, from 2:00-3:00 p.m. EDT, will be geared towards helping security analysts, network administrators, engineers and SCADA support personnel understand their own networks and systems in the context of DHS recommendations, best practices, vulnerability assessments and the security remediation process.

To register for the webinar, go to www.waterisac.org/sign-up.

#### EPA Seeks Comment On Aquatic Ecosystems/Global Change Report

EPA announced in the February 28 *Federal Register* (76 *FR* 10892) the availability of a draft report, *Aquatic Ecosystems and Global Change: The Challenges of Conducting Multi-Stressor Global Change Vulnerability Assessments*, for public review and comment. According to EPA, the draft report "is intended to be one building block for future work on multi-stressor global change vulnerability assessments. It is hoped that it will contribute to improved links between the decision support needs of the water quality and aquatic ecosystem management communities and the priorities and capabilities of the global change science data and modeling communities."

The report is currently being peer-reviewed and is open for comment until April 14. Additional information, including a link to the report, is available at http://tinyurl.com/NCEA-28feb2011.

#### **Comment Period Extended For Proposed Fluoridation Recommendation**

The Department of Health and Human Services (HHS) extended until April 15 the comment period for a proposed recommendation that community water systems adjust the amount of fluoride in drinking water to 0.7 mg/L. Comments can be sent by e-mail to CWFComments@cdc.gov. AMWA's comments, submitted on February 14, are available on AMWA's Regulatory Committee webpage (www.amwa.net/cs/members\_only/regulatory\_committee\_notes). With extension of the comment period, finalization of the HHS recommendation will likely be pushed to late summer.



SBOCIATION OF

# monday morning **BRIEFING**

March 14, 2011

#### Jackson Discusses Climate Adaptation, Fracking Waste Before House Committee

EPA Administrator Lisa Jackson told the House Energy and Commerce Committee last week that water systems must adapt to the impacts of climate change in the coming years. In response to a question from Rep. Lois Capps (D-Calif.) on the climate adaptation needs of water systems, Jackson said EPA is working to promote "green infrastructure" strategies that may build climate resiliency, but noted that some water systems will need to take even greater measures.

Rep. Capps has worked closely with AMWA to help water and wastewater systems address the impacts of global climate change. This spring she is expected to introduce a new version of legislation to authorize EPA to deliver adaptation assistance to water systems.

The hearing also featured an exchange between Jackson and Rep. Ed Markey (D-Mass.) on possible water contamination from hydraulic fracturing activities. Jackson said she believes that wastewater systems that accept fracking fluids should monitor for radiation. A recent *New York Times* story alleged a connection between fracking

#### April Water Policy Conference Features Key Guests; Register ASAP

AMWA's 2011 Water Policy Conference is less than a month away. *Hotel reservations should be made this week to get rooms at the special conference rate.* Visit www.amwa.net/2011WPC for conference information.

Attendees will meet authoritative political observers and policy makers and hear their plans and anticipations for the future of water policy:

**Inside Scoop**. Jim VandeHei, executive editor of *POLITICO*, the highly influential "all-politics-all-thetime" news source, will tell attendees what to expect over the coming months from Congress and the White House and the related implications on national policy. **Key Senators**. Sen. Mary Landrieu (D-La.), Sen. Tom Udall (D-N.M.) and Sen. John Boozman (R-Ark.) will

provide their insights and plans for water-related legislation.

**Climate Change**. Gina McCarthy, Assistant Administrator of EPA's Office of Air and Radiation, is a leading advocate for comprehensive strategies to confront climate change and strengthen the Nation's green economy.

White House Environmental Policy. Nancy Sutley, chair of the White House Council on Environmental Quality (CEQ), will speak about the recommendations CEQ has made for climate change adaptation and updates to the National Environmental Policy Act.

Water Infrastructure Protection. Attendees will hear from Administration officials on infrastructure protection initiatives and chemical security. DHS cyber security experts will present a briefing tailored for utility general managers on industrial control system security, including threats to utility systems and cyber attack consequences. activities and radiation in nearby waters. Rep. Markey also suggested that downstream drinking water utilities should be required to monitor for radiation.

#### **This Week In Congress**

With the latest short-term federal budget extension scheduled to expire on Friday, Congress will vote this week on another short-term continuing resolution (CR) to keep the government operating for several more weeks. This latest CR is expected to last for three weeks, and Republicans are aiming to achieve \$6 billion in savings by cutting earmarks. House and Senate leaders hope this latest CR will buy enough time to reach a final agreement on FY11 spending.

In other business, the House may vote on a housing reform measure this week, while the Senate may consider a repeal of the so-called "1099 provision" from last year's healthcare reform law.

#### SAB To Review Effectiveness Of Partial Lead Service Line Replacements

EPA's Science Advisory Board (SAB) Drinking Water Committee will meet March 30-31 in Alexandria, Va., to review technical studies examining the effectiveness of partial lead service line replacements (PLSLR) in reducing lead levels in drinking water. The SAB will examine studies and make recommendations on five specific issues: the associations between elevated blood lead levels and PLSLR; the effectiveness of PLSLR in light of tap samples conducted before and after partial replacements; the effectiveness of PLSLR compared with full lead line replacements; whether a standard operating procedure (SOP) should be developed to minimize lead level spikes following PLSLR; and whether PLSLR SOPs should include steps to address concerns about galvanic corrosion.

Additional information, including a copy of the charge to the committee, is available at http://tinyurl.com/SAB-PSLSR.

#### Spate Of Chemical Security Bills Avoid New Water Sector Regulations

Members of the House introduced bills earlier this month that would extend the Department of Homeland Security's chemical security regulations without changing the water sector's exemption from the program. The new bills may suggest an emerging consensus among the leaders of the House Homeland Security and Energy and Commerce Committees over whether to include water and wastewater systems in the program, known as CFATS.

H.R. 901, introduced by Rep. Dan Lungren (R-Calif.), Chairman of the Homeland Security Committee's Subcommittee on Cybersecurity, Infrastructure, Protection and Security Technologies, would enshrine much of the current CFATS regulations into statute and authorize the program through the 2018 fiscal year. The bill would bar CFATS from applying to water and wastewater facilities, but is also written to give the Homeland Security Committee more control over future CFATS modifications. Currently, the Energy and Commerce Committee gets a final say over any legislative changes to the program.

Perhaps in response, several leading members of the Energy and Commerce Committee introduced H.R. 908 on the same day. This bill would simply extend the existing CFATS program (and the water exemption) through 2017 and thus preserve Energy and Commerce's primary jurisdiction over CFATS. Committee staff are expected to negotiate a path forward in the coming months, but at this point major changes to water security rules are not part of the discussion. And while it is possible that the bills could be amended to include new water system security requirements overseen by EPA, Republican committee staff have told AMWA that any such changes will not include controversial "inherently safer technology" (IST) mandates or weakening of information protection standards.

#### **Senators Reintroduce Chemical Security Bill**

As members of the House compared options for chemical security bills, Senate Homeland Security and Governmental Affairs Committee Ranking Member Susan Collins (R-Maine) introduced S. 473, which mirrors a CFATS extension bill that her committee approved last year. The Collins bill would extend CFATS through 2014 and continue to exempt water systems. The bill would not allow DHS to force chemical facilities to review or adopt "IST," but it would create a voluntary technical assistance program to help chemical facilities look at "IST" options.

The Senate Homeland Security Committee approved a similar bill last year, and two Senate Democrats have signed on to cosponsor this year's version. This signals the difficulty that a security bill with "IST" mandates would have in passing the Senate, although Democratic New Jersey Senator Frank Lautenberg is expected to reintroduce his own chemical and water security bills that include "IST" provisions.

#### NOAA Warns Budget Cuts Could Undermine Storm Prediction

National Oceanic and Atmospheric Administration (NOAA) Administrator Jane Lubchenco warned a House committee last week that \$450.3 million worth of cuts to NOAA, included in a House-passed spending bill, would have "devastating" results. Appearing before the Science, Space, and Technology Committee, Lubchenco said the cuts proposed in H.R. 1, which would fund the government for the remainder of the 2011 fiscal year, would be felt throughout the agency. Specifically, the cuts would create gaps in satellite data that NOAA uses to predict severe storms and develop long-term weather forecasts.

The House approved H.R. 1 last month, but it was voted down in the Senate last week. However, similar cuts could be proposed in future spending proposals to rein in the budget deficit.

#### EPA, Regions Announce Public Meetings On Reviewing Current Regulations

As reported in AMWA's February 28 *Monday Morning Briefing* (http://www.amwa.net/cs/briefings), EPA is embarking on a periodic retrospective review of its existing regulations in response to President Obama's Executive Order 13563. EPA will hold several public meetings and webinars over the next two weeks to receive public input on this issue. The agency's website

(www.epa.gov/improvingregulations/meeting.html) provides information about its Office of Water Webinar on March 17 and also lists several regional meetings.

#### Ag Committee Votes To Block Chemical Spraying Permits; EPA Requests Court Order Extension

A bill that would prevent EPA from requiring certain pesticide applicators to obtain permits under the Clean Water Act unanimously passed the House Agriculture Committee last week. H.R. 872, the "Reducing Regulatory Burdens Act," aims to overrule EPA's pending NPDES Aquatic Pesticides General Permit, which is currently at the Office of Management and Budget for review. On March 3, EPA filed a motion with the U.S. Court of Appeals for the Sixth Circuit requesting an extension of the April 9 deadline for pesticide users to obtain an NPDES permit for aquatic pesticide use. EPA's motion requests an extension until October 31.

The legislation won support in House from members of both parties, and the Transportation and Infrastructure Committee could approve the bill as early as this week. That would position it for passage by the full House, but as of yet, no companion measure has been introduced in the Senate.

Additional information is online at http://tinyurl.com/NPDES-pesticides.

#### **CEQ Directs Federal Agencies To Assist With Climate Change Adaptation Planning**

On March 4, the White House Council on Environmental Quality (CEQ) issued to federal agencies a document entitled *Implementing Instructions for Agency Climate Change Adaptation Planning*, which addresses how to carry out the October 2010 recommendations of the Climate Change Adaptation Task Force. The instructions recommended that each agency:

- establish a climate change adaptation policy;
- increase agency understanding of how the climate is changing;
- apply understanding of climate change to agency mission and operations;
- develop, prioritize and implement actions; and
- evaluate and learn by sharing lessons learned with other agencies.

The instructions include deadlines for agencies to implement the recommendations. For example, by April 15, federal agencies must identify to CEQ the senior agency official responsible for carrying out climate change adaptation planning actions and by June 3, the agencies must release to the public agency-wide climate change policy statements. A copy of the document is available for download from AMWA's climate change page: www.amwa.net/cs/climatechange.

#### Financial Survey Webinar Available On AMWA.net

AMWA members can now access a recording of the March 1 webinar on the 2010 Utility Financial Information (UFI) database on the association's UFI webpage at www.amwa.net/cs/ceo\_resources/ufi. More than 100 AMWA members took part in the one-hour webinar that provided: a brief review of the data compiled from the 106 survey responses; a discussion of the types of analyses utilities can conduct using the database to develop financial information tailored to their specific needs for planning, benchmarking or other financial activities; and opportunities for trending between the 2008 and 2010 UFI databases. AMWA's survey consultants Peiffer Brandt and Rocky Craley of Raftelis Financial Consultants, Inc. conducted the session.





ASSOCIATION OF

# monday morning BRIEFING

March 21, 2011

#### New Infrastructure Bank Legislation To Offer Loans For Water

Water infrastructure projects costing at least \$100 million and having "national or regional significance" would be eligible to apply for loan funding from a new American Infrastructure Financing Authority (AIFA) under legislation announced by Sen. John Kerry (D-Mass.).

# This Week In Congress

Members of the House and Senate are in their home states and districts this week enjoying a one-week recess. Both chambers will be back in session next week.

Sen. Kerry's "Building and Upgrading Infrastructure for Long-Term Development (BUILD) Act" is a variant of infrastructure bank legislation that had previously been sponsored by now-retired Sen. Chris Dodd (D-Conn.). According to a summary provided by Sen. Kerry's office, the bill would establish a government-owned AIFA led by an independent board of directors, and communities with large water, transportation or energy infrastructure needs could apply to the board for low-interest loan funding. States, corporations and public-private partnerships would also be eligible to apply for loans, which supporters say would draw private capital to infrastructure projects. The bill has not yet been introduced, and its complete text has not been released.

According to the summary, projects would have to be at least \$100 million in size to be eligible for loan funds, although projects in rural areas would only need to cost at least \$25 million. The AIFA board would vet applications to ensure they meet technical and economic standards and would offer loans to winning projects. The government would provide \$10 billion in start-up funds, but the program is designed to become self-sufficient after several years. More information on the BUILD Act is available on Sen. Kerry's website: http://tinyurl.com/infrastructurebank.

President Obama proposed the creation of an infrastructure bank in his FY12 budget request, but it would only offer funding for transportation projects.

AMWA has generally been supportive of measures to increase funding opportunities for large infrastructure projects and will study the bill to determine its utility for urban water systems. One possible obstacle could be the \$100 million minimum project size. That high threshold would exclude many water projects costing less than that amount, but which are still too large to receive meaningful funding through the Drinking Water State Revolving Fund.

## **Bill Would End SDWA Exemption For Fracking Chemicals**

Legislation introduced in the House and Senate last week would end the exemption that prevents EPA from regulating the gas drilling process known as hydraulic fracturing, or "fracking," under the Safe Drinking Water Act (SDWA).

A 2005 energy law prevents EPA from using SDWA to regulate fracking chemicals, which are injected into the ground to break apart rock and capture natural gas. The new bills, known as the "Fracturing Responsibility and Awareness of Chemicals (FRAC) Act" (H.R. 1084, S. 587) would end the exemption and require drillers to disclose the contents of their proprietary drilling fluid mixtures to regulators.

Fracking has drawn increasing scrutiny in recent months as environmental groups point to possible impacts on water supplies. At a hearing earlier this month, Rep. Ed Markey (D-Mass.) suggested that water systems near fracking operations should be required to test their supplies for drilling residues, but no such requirements are included in the current legislation.

#### President Signs 3-Week CR With Final Spending Standoff Looming

The most recent threatened federal government shutdown was averted last week when Congress passed and President Obama signed into law a continuing resolution (CR) to keep the government running for three more weeks, until April 8. But following the votes, members on both sides of the aisle indicated they would not support another short-term extension, signaling negotiations on a final FY11 spending plan will likely heat up over the next few weeks.

The three-week bill continued to extend most federal programs at their current levels, but cut about \$6 billion from earmarks and programs that president Obama targeted for elimination next year. The bill cut EPA funding by \$238 million, including eliminating nearly \$157 million for water project earmarks. Since Congress and the White House had already agreed on an earmark moratorium this year, however, the funds had not been allocated to individual projects.

## Reminder: March 25 Is Deadline For 2010 UFI Database Corrections

Corrections to the 2010 Utility Financial Information (UFI) database are due to AMWA by Friday, March 25 in order to be included in an updated version of the database, which will be released in early April. Any UFI survey participant who wishes to revise the data they submitted should send the corrected information to Carolyn Peterson at peterson@amwa.net this week.

## **EPA Extends Comment Period For Regulatory Review Feedback**

Last Friday, EPA announced in the *Federal Register* (76 *FR* 14840) an extension of the comment period for the agency's "Plan for Retrospective Review Under Executive Order 13563." Comments will be accepted until April 4, 2011.

AMWA's draft comment letter is available at http://tinyurl.com/AMWA-RegCmte under "Documents Open for Comment." Members may submit feedback on AMWA's draft letter through April 1. Additional information is online at http://edocket.access.gpo.gov/2011/2011-6413.htm.

#### Memo To EPA Regions Recommends State Framework To Manage Nutrients

A March 16 memorandum from EPA Acting Assistant Administrator for Water Nancy Stoner to EPA regions urges the agency, states and stakeholders to work together to "make greater progress in accelerating the reduction of nitrogen (N) and phosphorus (P) loadings" to the nation's waters. The

memorandum includes a recommended framework with eight elements for states to use as a planning tool to achieve near and long-term reductions in N and P pollution.

The memorandum acknowledges there is no one-size-fits-all approach and says the best approaches will involve states, federal agencies, landowners and other stakeholders in working together to develop watershed-scale plans.

The recommended framework elements include:

- prioritizing watersheds on a statewide basis for N and P loading reductions;
- ensuring effectiveness of point source permits in targeted areas for municipal and industrial wastewater facilities, CAFOs and urban stormwater sources discharging into N and P impaired waters;
- addressing agricultural areas, stormwater and septic systems;
- accountability and verification measures;
- annual public reporting; and
- developing a work plan and schedule for numeric criteria development.

The memo closes by stating feedback from the regions, states and stakeholders is welcome. It is online under "Basic Information" at http://water.epa.gov/scitech/swguidance/standards/criteria/nutrients.

#### **Reclamation Announces WaterSMART Funding Opportunities**

The Bureau of Reclamation announced the availability of three WaterSMART funding opportunities (www.grants.gov):

- System Optimization Review Funding Opportunity for projects that assess the potential for water management improvements (applications due April 27);
- Advanced Water Treatment Pilot and Demonstration Project Funding Opportunity for projects that address the technical, economic and environmental viability of treating and using brackish groundwater, seawater, impaired waters or otherwise creating new water supplies within a specific locale (applications due May 11); and
- Grants to Develop Climate Analysis Tools Funding Opportunity for research projects that will lead to enhanced management of western water resources in a changing climate (applications due May 13).

Award announcements are expected by the end of September.

#### Attend The Water For People Women In Water Gala This Summer

Join your colleagues across the water industry for the 2011 *Women in Water Gala* to benefit Water for People. The Gala will take place in Washington, D.C. on June 13, during ACE, and will bring together utility managers, industry leaders, the Nation's policy-makers and the philanthropic and business communities. The theme, *Women in Water*, is a critical one. In developing countries women walk miles each day to secure water for their families and villages, often preventing them from earning an income or education.

Tickets to this important and fun gala are available for \$60. Buy them at www.waterforpeopledc.org/womeninwatergala.html or when you register for ACE. Spread the word and bring your colleagues and friends. Please forward this invitation to friends who may be interested in networking and raising awareness about global water challenges.

Become a sponsor, too. Visit the WFP-DC site to learn more and see the list of current sponsors. Go to www.waterforpeopledc.org/womeninwatergala.html.

Invited speakers include: Maria Otera, Under Secretary for Democracy and Global Affairs at the U.S. Department of State; Elisa Speranza, President of CH2MHill OMI; and Ned Breslin, CEO of Water for People.

Water For People helps people in developing countries improve their quality of life by supporting the development of locally sustainable drinking water resources, sanitation facilities and hygiene education programs. The water industry has long supported Water For People in recognition that the water and public health services we provide in the United States are a highly technical luxury. In fact, around the world, 884 million people do not have access to safe drinking water and 2.6 billion are without adequate sanitation facilities.

water for people Washington DC 2011	
Please Join Us for a Gala to Honor <i>Women in Water</i>	
Monday, June 13, 2011 6:30 to 9:30 pm	
National Museum of Women in the Arts 1250 New York Avenue NW Washington, DC 20005	
www.waterforpeopledc.org/womeninwatergala.html Proceeds to benefit Water for People 501(c) 3	
Tickets \$60 Business Attire	

The Latest Water Policy News



ASBOCIATION OF

## monday morning BRIEFING

March 28, 2011

## FEMA Official Added To AMWA Conference Program

Timothy Manning has been added to the list of distinguished speakers at AMWA's 2011 Water Policy Conference in April. As FEMA's Deputy Administrator for Protection and National Preparedness, Manning is responsible for preparing the nation to protect against, prevent, respond to, and recover from acts of terrorism and natural disasters.

Manning will address conference attendees on FEMA's preparedness and resiliency programs, particularly as they relate to water systems and other private sectors. Appointed by President Obama and confirmed in 2009,

#### This Week In Congress

Returning from recess this week, the Senate is expected to continue debate on a small business research and development bill. During the course of the debate, Republican senators are expected to offer amendments that would restrict EPA's ability to regulate greenhouse gas emissions.

The House is expected to take up a Federal Aviation Administration reauthorization bill this week.

Manning served previously as the Secretary of the New Mexico Department of Homeland Security and Emergency Management.

Register for the conference today at www.amwa.net/cs/2011WPC.

#### Draft Report Issued On Data Needs For Climate Impacts On Water Resources

In response to requirements of the SECURE Water Act, an interagency team released for comment a draft report to Congress on *Strengthening the Scientific Understanding of Climate Change Impacts on Freshwater Resources of the United States*. The report, available on AMWA's Climate Change page (www.amwa.net/cs/climatechange), provides an overview of water resources data availability, data needs and recommendations on how to fill gaps and coordinate information.

As noted in the March 23 *Federal Register* (76 *FR* 16443), the report identifies key actions to improve the nation's capacity to detect and predict changes in freshwater resources that are likely to result from a changing climate. The aim of the final report will be to help "decision-makers and water resource managers by facilitating improvements in observational, data acquisition, and modeling capabilities."

AMWA, with assistance from its Climate Change Committee, is developing comments on the report. Comments are due to the U.S. Geological Survey (USGS) by April 22. USGS is hosting a webcast with its Advisory Committee on Water Information and other interested parties to discuss and take comment on the report. The webcast will be **Monday, April 4, from 10:00 a.m. - 12:00 noon EDT.** Contact Erica Brown (Brown@amwa.net) for additional information about attending the webcast.

#### **CEQ Seeks Comment On Draft Guidance For Considering GHG Emissions In NEPA Actions**

The Council on Environmental Quality (CEQ) is seeking comment until May 18 on draft guidance that describes when and how federal agencies "must consider greenhouse gas (GHG) emissions and climate change in their proposed actions."

In the draft document (http://tinyurl.com/ceq-nepa), CEQ proposes to advise agencies to consider opportunities to reduce GHG emissions caused by proposed federal actions and adapt their actions to climate change impacts throughout the NEPA process. The draft describes what agencies should consider as part of a GHG analysis and also proposes that agencies consider the "relationship of climate change effects to a proposed action or alternatives, including the relationship to proposal design, environmental impacts, mitigation and adaptation measures."

CEQ does not propose to make this guidance applicable to federal land and resource management actions, according to the document, but does request comment on how to assess GHG emissions and sequestration that are affected by federal land and resource management decisions.

#### **Electric Utilities To Report Water Supply Concerns**

Ceres, an activist shareholder organization, announced that three large electric utilities had agreed to provide greater information on their water use and risks associated with water supplies. Southern Co. (Atlanta-based), Dominion Resources Inc. (Richmond, Va.-based) and PPL Corp. (Allentown, Pa.-based) agreed to the initiatives after shareholders filed resolutions in advance of the companies' annual meetings, according to Ceres. "Water scarcity is a growing risk to many public utilities and investors want to know how companies are preparing for increased competition for supplies, emerging regulations and potential revenue losses from shortages," said Ceres President Mindy S. Lubber in announcing the utility agreements. More on the announcement can be found at http://tinyurl.com/ceres-2011.

#### Survey: Drinking Water Source Unknown To Most Americans

More than 75 percent of Americans cannot identify the source of their drinking water, according a recent poll commissioned by the Nature Conservancy. Most Americans are unaware of the role lakes, streams and aquifers play in providing clean and dependable water, the group said. Some respondents said they believed their drinking water came from the "oceans" or "God."

Jeff Opperman, a senior freshwater scientist at the Nature Conservancy, said: "I don't think the take-home message is people are ignorant. It's more of a testament to the great engineering accomplishment of our water system." The report is online at http://tinyurl.com/NC-water-source.



SEOCIATION OF

### monday morning BRIEFING

#### April 4, 2011

## Subcommittee Chair Pledges Review Of Water Security Legislation

Speaking at the opening of a House Environment and Economy Subcommittee hearing last week on legislation to extend the Department of Homeland Security's Chemical Facility Anti-Terrorism Standards (CFATS) program, Chairman John Shimkus (R-III.) said his panel may consider new water facility security legislation later this year after the committee completes its work on a CFATS reauthorization. Since legislation authorizing EPA's drinking water security requirements have no sunset date, Shimkus said his panel would "attack the problem that is the most pressing first," and then move on to water security.

If Chairman Shimkus does eventually consider changes to drinking water security laws, his legislation would likely look much different than water security proposals offered by Democrats (see related story on Sen. Lautenberg's new bill). Most notably, Shimkus and other Republicans have strongly opposed provisions that would require water facilities to consider or implement so-called "inherently safer technologies" (IST).

The bill that was the subject of the hearing, H.R. 908, would simply extend the existing CFATS program (along with the water and wastewater exemption) through 2017. The bill could be marked up in subcommittee as early as this week.

#### DHS Repeats Call For Closing The "Water Security Gap"

#### This Week In Congress

Congress this week finds itself once again facing a deadline to avert a government shutdown. The current FY11 continuing appropriations law is scheduled to expire on Friday, and members of both parties have said they hope to avoid approving another short-term funding extension that merely postpones a final FY11 spending bill for several weeks.

Reports from Capitol Hill last week said Democrats and Republicans were negotiating a final continuing resolution that would cut federal spending by approximately \$33 billion, but the two parties must also agree on which, if any, policy riders to attach to the bill. Some Republicans, for example, hope to include language barring EPA from regulating greenhouse gas emissions, but most Democrats say they would not support a spending bill with that provision.

On other issues, the Senate this week will continue debate on a small business research bill and will vote on a bill to repeal the "1099 provision" from last year's healthcare reform legislation. The House is scheduled to vote on a stand-alone bill to bar EPA from regulating greenhouse gas emissions and a resolution of disapproval of the FCC's recently adopted "net neutrality" rules.

Testifying last week before the House Subcommittee on Environment and Economy, DHS Under Secretary for National Protection and Programs Directorate Rand Beers repeated the Obama Administration's position that the statutory exemption of water and wastewater facilities from CFATS represents a "critical gap" in the nation's chemical security framework. Beers urged Congress to bring the water sector into the framework of CFATS while maintaining EPA's role as the lead agency for overseeing water security and said "the appropriate regulatory entity" should have the authority to require "high risk" chemical and water facilities to adopt an "inherently safer technology" if the government finds it to be feasible. That type of provision has little chance of winning approval in the Republican-controlled House of Representatives.

#### Sen. Lautenberg Reintroduces Water Security Bill With IST Reviews

Senator Frank Lautenberg (D-N.J.) unveiled the first new water security bill of the year last week, reintroducing his "Secure Water Facilities Act" as S. 711. The bill appears to closely match legislation he sponsored last year, which would have required drinking water and wastewater utilities to consider the use of IST and enable state agencies to review utility IST implementation decisions.

It appears unlikely that S. 711 can win approval in the Senate, especially following Republican gains in the November elections and a general skepticism about IST mandates among many members. AMWA did not support last year's version of the bill – which did not make it out of committee – because it would have imposed more stringent security requirements on water systems than would have been faced by private chemical facilities under a separate bill that advanced through the Senate Homeland Security Committee.

#### House Approves Bill To Block NPDES Permits For Pesticide Spraying

The House of Representatives last week approved legislation to prevent implementation of a 2009 order by the U.S. Court of Appeals for the Sixth Circuit that would require discharge permits under the Clean Water Act for pesticide applications in and around U.S. waters in cases where Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) permits are already in place.

The court's 2009 order vacated an EPA rule allowing NPDES permit exemptions for pesticide applications in or near bodies of water if the pesticide was already permitted under FIFRA. The decision was scheduled to go into effect on April 9, but the court recently granted a government motion to stay the effective date of the order until October 31.

If enacted, H.R. 872, the "Reducing Regulatory Burdens Act," would overturn the order and maintain the status quo of not requiring NPDES permits if permits under FIFRA are already in place. The bill has the strong support of the agricultural industry and would also allow some water systems to avoid having to obtain multiple permits for pesticide spraying operations over or near reservoirs.

The bill will now move to the Senate, but no timeframe for consideration has been announced.

#### **EPA/FDA Update Ongoing Radiation Monitoring**

EPA announced last Wednesday it is increasing the nationwide monitoring of milk, precipitation, drinking water and other potential radiation exposure routes, in response to the nuclear power plant crisis in Japan. According to a joint statement with the U.S. Food and Drug Administration (FDA), results from a screening sample taken March 25 from Spokane, Wash. detected a level of iodine-131 more than 5,000 times lower than the Derived Intervention Level set by the FDA. "These types of findings are to be expected in the coming days and are far below levels of public health concern, including for infants and children," the statement said.

EPA conducts radiological monitoring of milk under its RADNET program, while the FDA has jurisdiction over the safety, labeling and identity of milk and milk products in interstate commerce. States have jurisdiction over facilities located within their territory.

EPA's recommendation to state and local governments is to continue to coordinate closely with EPA, FDA and the Centers for Disease Control and Prevention. More information is online at www.epa.gov/japan2011 and http://tinyurl.com/fda-rad-safety.

#### Central U.S. Earthquake Drill Planned For April 28

The 2011 Great Central U.S. ShakeOut, an earthquake drill sponsored by the Federal Emergency Management Agency, the U.S. Geological Survey and the National Science Foundation, will take place on April 28 at 10:15 a.m. in the following states: Alabama, Arkansas, Georgia, Illinois, Kentucky, Missouri, Mississippi, South Carolina and Tennessee. (Indiana will conduct the drill on April 19 at 10:15 a.m.)

Registration, open to any organization or individual in the participating states, is online at www.shakeout.org/centralus.



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### monday morning BRIEFING

#### April 11, 2011

#### Water Executives Gather For Policy Conference

The Nation's Capital, for weeks under threat of a federal shutdown, is host to AMWA's 2011 Water Policy Conference this week. While last minute budget negotiations left the status of government operations in flux, more than 100 water industry leaders from around the country convened to hear the latest on national policy developments and to share ideas and perspectives on critical water sector issues. Many attendees will take the opportunity to visit Congressional offices to discuss local, regional and national water concerns with their federal representatives.

#### Negotiators Bring Government Shutdown Debate Down To The Wire

Negotiations among House Republicans, Senate Democrats and the White House were expected to continue late last Friday and into the weekend if

#### This Week In Congress

Aside from the possibility of continued debate over funding the government for the remainder of the 2011 fiscal year, several other measures are expected to come before Congress this week.

House Republican leaders are expected to bring to the floor their fiscal year 2012 budget resolution – a nonbinding measure outlining long-term budget goals. The House may also vote on bills to permanently ban federal abortion funding and to repeal various parts of last year's healthcare overhaul bill.

In the Senate, debate will continue on a small business research bill.

necessary as officials tried to find common ground on a proposal to fund the federal government for the remainder of the 2011 fiscal year. Reports from Capitol Hill said that members were discussing proposals that would cut between \$33 billion and \$40 billion when compared to the government's 2010 budget.

As agreement on a full-year spending bill remained elusive, last Thursday the House of Representatives approved a Republican-backed bill to fund the military for the rest of the fiscal year and temporarily avert a government shutdown by extending other funding for one week. The bill would have cut \$12 billion worth of discretionary spending – including \$700 million from EPA's Drinking Water and Clean Water SRF programs – but Senate Democrats deemed the plan a nonstarter, and President Obama threatened to veto the measure if it reached his desk.

An estimated 800,000 federal employees could be furloughed during a shutdown, as non-essential workers in Congress and federal agencies would be told to not report to work until a funding deal becomes law.

#### Bill Would End Requirement To Distribute CCRs By Mail

New legislation introduced in the House of Representatives last week would end the requirement that drinking water systems mail each customer a copy of its annual consumer confidence report (CCR) – as

long as the utility remained in compliance with all federal water quality standards during the time covered by the report.

The "End Unnecessary Costs Caused by Report Mailing Act" (H.R. 1340) would allow a water system in full compliance with the Safe Drinking Water Act's maximum contaminant levels (MCL) to simply post its complete CCR online rather than mailing a copy to each customer. If a utility chose to not mail a CCR, it would still have to mail each customer a notice stating that its water meets all federal standards and that the CCR is available online. Utilities would also have to provide customers the option of continuing to receive CCRs by mail. If a utility violated any federal MCL during the time covered by the CCR, the utility would be required to mail the cCR to every customer.

Rep. C.W. Bill Young (R-Fla.), the bill's sponsor, says that the legislation would help water systems avoid unnecessary printing and mailing costs while still maintaining the public's access to water quality information.

#### Importance Of Drinking Water Noted In Final Clean Water Act Strategy

EPA recently released on its website, without much fanfare, its final Clean Water Act (CWA) strategy document, *Coming Together for Clean Water* (http://blog.epa.gov/waterforum). The document was developed from a spring 2010 meeting convened by EPA Administrator Lisa Jackson to discuss how to reinvigorate the Clean Water Act program. After accepting public comment on the draft document last summer, EPA's final strategy includes many additions related to the importance of drinking water in the clean water discussion, noting that the agency will look strategically at ways to "integrate drinking water concerns into clean water strategies."

The document also includes new information highlighting the importance of addressing concerns raised by hydraulic fracturing and "other resource extraction operations" and noting that EPA will work with federal partners and others to clarify CWA requirements for hydraulic fracturing.

The document concludes by stating that EPA has already implemented many of the actions in the strategy and will work to maintain an open dialogue with stakeholders as it plans and implements other key actions for the protection of water resources.

#### SAB Considers Recommendations On Partial Lead Service Line Replacements

The Science Advisory Board (SAB) Drinking Water Committee met March 30-31 to discuss the research surrounding the effectiveness of partial lead service line replacements (PLSLR). Several members of the committee expressed a desire to recommend EPA place a ban on PLSLR under the Lead and Copper Rule (LCR) and also to see the action level under the LCR lowered. However, SAB staff reminded the committee that its charge is for scientific advice and not for policy recommendations.

While the SAB's report is not expected until the summer, it is likely the report will observe that:

- further research should be done to better determine the relationship between PLSLR and blood lead levels, as the 2010 study by the Centers for Disease Control (Brown et al.) is not sufficient for drawing conclusions;
- first draw compliance samples following a PLSLR are not adequate to determine its effectiveness; and

• full LSLR are better than PLSLR although there is limited data to quantify how long an LSLR results in lead spikes in drinking water at the tap.

The recommendations may also suggest that water systems conducting PLSLR should provide better public education materials to the affected residences as well as POU filters for a period of time, although it is uncertain what time period would be recommended. EPA will take the SAB's recommendations into consideration as it develops revisions to the LCR. A rule proposal is expected in 2012.

#### AMWA Publishes Analysis Of VA Tools And Industry Risk Standard

Last week, AMWA and the Water Research Foundation published a report online on the differences among the latest versions of three vulnerability assessment (VA) software tools and the ASME-ITI/AWWA J100 risk analysis standard. Because the differences are of consequence to water and wastewater utilities planning to update vulnerability assessments, researchers and subject matter experts examined how the products differ and the effort that may be required to meet the standard using any one of the tools.

The three VA tools examined in the report are VSAT (updated in 2010 by U.S. EPA as VSAT 5); the Security and Environmental Management System (SEMS) for smaller utilities; and ARAM-W, an automated version of RAM-W, which is a work-in-progress by the Department of Homeland Security and could be completed in 2012. The publication of the ASME-ITI/AWWA J100-10 Standard for Risk and Resilience Management of Water and Wastewater System coincided with the release of VSAT 5 in 2010.

All water systems serving at least 3,300 people were required to prepare vulnerability assessments under the 2002 Bioterrorism Act. Many utilities intend to update those assessments. While Congress has passed no new VA mandates for water or wastewater systems since then, the House and Senate have debated legislation to change that over the last few years.

A detailed review of the tools and the standard found that the tools met at most 68 percent of the features of the J100 Standard. None of the tools calculate resilience – the largest discrepancy with the J100 standard.

The report – *Gap Assessment for ASME-ITI/AWWA J100-10 Standard and Leading Vulnerability Assessment Tools* – is available for AMWA members at www.amwa.net. It will also be available on WaterISAC (www.waterisac.org) for Pro subscribers.

#### Pesticide Permitting Bill Offered In The Senate

Just weeks after the House of Representatives passed similar legislation, Sen. Pat Roberts (R-Neb.) introduced S. 718, the Senate version of a bill to block EPA from requiring pesticide applicators to obtain NPDES permits before applying pesticides over or near waters in a manner consistent with Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) guidelines.

Last month the House of Representatives overwhelmingly passed its own version of the bill, H.R. 872. Like the Senate legislation, this bill would prevent implementation of a 2009 U.S. Court of Appeals ruling that vacated an EPA rule exempting pesticide applications NPDES permit requirements, as long as the pesticides are used in accordance with FIFRA. Supporters of the bills say that the Clean Water Act was never intended to regulate FIFRA-compliant pesticide applications and the 2009 court ruling would

impose unnecessary regulatory burdens on a range of entities, including water systems that apply pesticides to reservoirs.

While both Republican and Democratic leaders of committees with oversight of FIFRA and the Clean Water Act supported the House bill, it is unclear when or whether the companion legislation might move through the Senate. The Court recently granted a government motion to stay the effective date of the order until October 31, thereby giving Congress more time to work out a solution.

#### Info Sought On Barriers To Green Infrastructure Implementation

The Clean Water America Alliance is conducting a survey to identify barriers to implementing green infrastructure. A report on the information collected will document the technical, legal/regulatory, financial and community/institutional obstacles to green infrastructure initiatives and will include recommendations, where applicable, on each major finding. The Alliance will use the report to help EPA with national rulemaking to establish a program to reduce stormwater discharges. The survey is online at www.cleanwateramericaalliance.org/gisurvey\_about.php.

#### AMWA's 2011 Utility Awards Program Underway

Members interested in participating in AMWA's 2011 water utility performance awards program can now apply for the Gold Award for Exceptional Utility Performance or the Platinum Award for Utility Excellence.

Participating utilities do not compete against each other, but are judged individually against the criteria by peer panels of water system managers from past award-winning utilities. Criteria for the awards focus on areas where effectively managed utilities achieve successful outcomes in operations, infrastructure, customer satisfaction, natural resource stewardship and financial performance.

**Deadlines for submitting applications are June 1 for the Gold Awards and July 1 for the Platinum Awards.** Winners will be recognized at AMWA's 2011 Annual Meeting in Newport, R.I., October 16-19.

More information, copies of the awards application forms and examples of past winning entries are online at www.amwa.net/cs/ceo\_resources/awards. For questions about eligibility, contact Carolyn Peterson, 202- 331-2820 or peterson@amwa.net.





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#### April 18, 2011

## AMWA Water Policy Conference: New Officers Elected, Presentations Posted Online

At its April 10 meeting, the AMWA Board of Directors elected new officers for a one-year term:

• Vice President – Patricia Mulroy, General Manager, Las Vegas Valley Water District

#### This Week In Congress

Members of the House and Senate have departed Washington to begin a two-week recess. Congress will be back in session during the week of May 2.

- Treasurer Chuck Murray, General Manager, Fairfax Water
- Secretary Scott Potter, Director, Metro Water Services of Nashville

James McDaniel, Senior Assistant General Manager of the Los Angeles Department of Water & Power, continues to serve his term as president of the association.

PowerPoint presentations from the meeting are available to members online at http://amwa.net/cs/conferences/presentations.

#### EPA Announces Meeting On Peer Review Of Chromium-VI IRIS Assessment

EPA announced in the April 12 *Federal Register* (76 FR 20349) that it will convene an independent panel of experts for an external peer review workshop for the Integrated Risk Information System (IRIS) assessment document, *Toxicological Review of Hexavalent Chromium*. The workshop will be held May 12 from 8:30 a.m. to 5:00 p.m. (EDT) in Alexandria, Va., and is open to the public to attend in person or via conference call. Reservations are required and time will be allotted during the meeting for public comment. For more information about the workshop and to register, visit http://tinyurl.com/CrVI-peerreview. The draft IRIS assessment document is available online at www.epa.gov/ncea.

#### FY11 Budget Deal Cuts EPA Funding, DWSRF Receives \$965 Million

More than six months after the start of the federal government's 2011 fiscal year, Congress passed and President Obama signed legislation last week finalizing the year's spending levels for federal departments and agencies. The bill, H.R. 1473, provides \$1.049 trillion in total funding for the federal government – which represents a reduction of roughly \$38 billion from fiscal year 2010 levels.

The bill hits EPA hard, with the agency's budget reduced by \$1.6 billion to \$8.7 billion. The bulk of EPA's cut comes from the Drinking Water and Clean Water State Revolving Fund (SRF) programs, which had attained record-high funding levels in 2010. In 2011, the DWSRF will receive \$965 million (compared to \$1.387 billion in 2010), while the CWSRF is in line for \$1.525 billion (compared to \$2.1

billion in 2010). Nevertheless, the DWSRF figure still represents the third highest annual appropriation in the program's history.

With the 2011 appropriations debate finally over, attention will quickly turn to the 2012 fiscal year, which begins in just over five months. President Obama has requested \$9 billion for EPA next year, including \$990 million for the DWSRF and \$1.55 billion for the CWSRF.

#### **Budget Blocks Funding For NOAA's Climate Service**

The National Oceanic and Atmospheric Administration (NOAA) will be prohibited from spending any funds to "implement, establish, or create" a Climate Service under the terms of the 2011 spending bill. Officials at NOAA announced plans to create a National Climate Service last spring. The proposed service has been likened to a National Weather Service for climate science, through which users could access centralized data and information that would aid adaptation planning efforts.

But Republicans in the House of Representatives alleged that the Climate Service could politicize climate science and succeeded in attaching a rider to the FY11 spending bill that bars NOAA from spending any funds on the service during the remainder of the fiscal year. While this restriction will expire when the 2012 fiscal year begins in October, there is a good chance that congressional Republicans will seek to attach the rider to future appropriations bills.

Overall, the budget deal provides NOAA with \$4.6 billion – \$140 million below its 2010 level.

#### 2011 Funding Bill Continues CFATS, Cuts Army Corps

Aside from the funding provided to EPA and NOAA, other parts of H.R. 1473 of interest to water systems include:

- an extension of the Department of Homeland Security's CFATS chemical facility security program through October 4 of this year. The extension does not impact the status of water and wastewater facilities, which remain exempt from CFATS;
- \$4.9 billion in funding for the U.S. Army Corps of Engineers, \$587 million below its 2010 level;
- \$913.5 million for the Bureau of Reclamation, which is \$215 less than it received in 2010;
- just under \$1.086 billion for the U.S. Geological Survey, a cut of about \$26 million; and
- a continuation of the ban on earmarks that the Congress implemented earlier this year.

#### Homeland Security Subcommittee Rejects Including Water In CFATS

A House Homeland Security subcommittee last week approved H.R. 901, legislation to extend the Department of Homeland Security's Chemical Facility Anti-Terrorism Standards (CFATS) program for seven years, after rejecting an amendment that would have brought water and wastewater facilities into CFATS. Offered by Rep. Yvette Clarke (D-N.Y.), the proposed amendment would have applied CFATS regulations to water and wastewater systems, but would have instructed DHS to delegate oversight of the regulations to EPA. The amendment failed on a party-line vote, but Subcommittee Chairman Daniel Lungren (R-Calif.) said he is willing to hold hearings or consider legislation to address the exemption in the future.

Rep. Lungren's comments represent a slight backtracking from his statement at a hearing earlier this year when he said he was "agnostic" over bringing water and wastewater systems under CFATS. But even if his Homeland Security subcommittee advanced separate legislation to bring the water sector under DHS regulation, it would stand little chance of moving through the Energy and Commerce Committee. Energy and Commerce leaders and staff have repeatedly said that they will not approve legislation that would intrude on EPA's sole oversight of water facility security.

#### NAS To Review Florida Nutrient Rule Costs

Senator Bill Nelson (D-Fla.) announced that EPA has agreed to his request to conduct an independent review of the cost of compliance with the Florida nutrient rule. In an April 6 letter, EPA Administrator Lisa Jackson said she agrees an independent cost review of the agency's economic analysis for the rule should be performed "because the economic impact of the rule is dominating the public discussion in Florida." Jackson's letter says the National Academy of Science will conduct a review of the agency's cost estimate in comparison with those of other stakeholders, with the exception of the site-specific alternative criteria provision. EPA estimates the Florida nutrient criteria rules would cost communities and businesses between \$135 and \$206 million, while other cost estimates are upwards of \$1 billion.

#### EPA's State/Local Climate And Energy Program Provides Wealth Of Information

A new State and Local Climate Energy Program page on the EPA website (www.epa.gov/statelocalclimate) offers resources and tools for local governments to develop climate mitigation programs. Information about federal funding opportunities and peer-to-peer exchange are available as well as tools such as local climate and energy strategy guides and webcasts.

The website also provides information on developing, implementing and measuring a local climate and energy program, with case study examples for greenhouse gas inventories and climate change action plans across cities in over two dozen states. In addition, the State and Local Climate and Energy listserv shares news of important state and local developments in climate change and clean energy policies, programs, and opportunities. Listserv subscribers can expect to receive one listserv message per week with new policy developments; information on new studies, reports and upcoming events; and announcements about funding opportunities. To subscribe to the listserv, send a blank e-mail message to subscribe-state-local-climate-energy@listserve.icfi.com.

#### Draft Healthy Watersheds Document Open For Review

EPA recently released and is seeking comments on a draft technical guidance document, *Identifying and Protecting Healthy Watersheds: Concepts, Assessments and Management Approaches.* The 256-page document (http://tinyurl.com/healthywatersheds-draft) is divided into several sections including key concepts and approaches, case study examples, an integrated assessment framework and management approaches.

EPA intends for the document to be used by aquatic resource managers at the state, tribal and local levels as well as federal agencies and NGOs. In addition, EPA says that the document may also be beneficial to local government and land use managers for developing protection priorities. Comments are due to EPA by June 3, 2011. AMWA is considering developing comments on the document and welcomes input from interested members. Please contact Erica Brown (brown@amwa.net) to provide comments.



April 25, 2011

Download PDF Version

### House Lawmakers Criticize EPA's Clean Water Act Guidance

A bipartisan group of 170 House of Representatives members wrote to EPA and the Army Corps of Engineers last week to criticize EPA's plans to release a guidance to clarify which waters are subject to the federal Clean Water Act. Instead, the letter said any changes to the federal government's interpretation of the scope of the Act should be the product of a "proper, transparent rulemaking process."

EPA officials have said the proposed guidance will be issued soon and is intended to clear up confusion about the scope of the Clean Water Act following two recent Supreme Court decisions that narrowed its applicability to non-navigable waters. But House members signing the letter object to this approach, stating that any changes to the Clean Water Act must be the result of an act of Congress or a formal rulemaking.

A total of 147 Republicans and 23 Democrats signed the letter. Rep. John Mica (R-Fla.) and Nick Rahall (D-W.V.), the chairman and ranking member of the House Transportation and Infrastructure Committee, signed the letter, as did Rep. Bob Gibbs (R-Ohio), who chairs the subcommittee with direct oversight of the Clean Water Act.

A copy of the letter can be accessed at http://tinyurl.com/CWA-Guidance-Letter.

### SAB Conference Calls On Hydraulic Fracturing, Nutrient Criteria And Lead Service Line Replacement Scheduled For May

The EPA Science Advisory Board (SAB) announced three conference calls in May on issues of interest to drinking water utilities:

- May 16, the Drinking Water Committee will discuss the draft advisory report on partial lead service line replacement effectiveness;
- May 17, the chartered SAB will review the draft report, "Review of EPA's draft Approaches for Deriving Numeric Nutrient Criteria for Florida's Estuaries, Coastal Waters, and Southern Inland Flowing Waters"; and
- May 19 and 25, an SAB panel will review EPA's "Draft Hydraulic Fracturing Study Plan."

All conference calls are open to the public. Additional information can be found by clicking on the relevant links on the SAB calendar at <u>http://tinyurl.com/SAB-calendar</u>.

### GAO Report Addresses Energy-Water Nexus

A new report from theGovernment Accountability Office (GAO) examines technologies and approaches that could reduce energy needed for "the urban water lifecycle" and barriers that exist to adoption. *Energy-Water Nexus: Amount of Energy Needed to Supply, Use, and Treat Water Is Location-Specific and Can Be Reduced by Certain Technologies and Approaches* (www.gao.gov/products/GAO-11-225) says that water utilities' operating and expansion costs are getting attention as service demands mount, water supplies shrink and environmental regulations expand, but little attention is paid to energy costs.

The report said a variety of technologies and approaches can improve energy efficiency of drinking water and wastewater processes, including installing more efficient equipment, adopting water conservation measures and upgrading infrastructure. However, adoption may be hindered by costs of retrofitting plants with more energy-efficient equipment and competing priorities at treatment facilities. GAO cited greater priority put on meeting regulatory standards even if that consumes more energy, greater priority put on other municipal spending needs, and disincentive created by subsidized water rates.

### New National Terrorism Advisory System Released

On April 20 Department of Homeland Security (DHS) Secretary Janet Napolitano announced implementation of the New National Terrorism Advisory System (NTAS) to replace the color-coded Homeland Security Advisory System. The NTAS will include information specific to a particular credible threat and will not use a color-coded scale. The NTAS Alert will be shared with the American public and may include specific information, if available, about the nature of the threat, including the geographic region, mode of transportation, or critical infrastructure potentially affected by the threat, as well as steps that individuals and communities can take to protect themselves and help prevent, mitigate or respond to the threat. The advisory will clearly indicate whether the threat is "elevated," if specific information about the timing or location isn't available, or "imminent," if the government believes the threat is impending or very soon.

Alerts will simultaneously be posted at <u>www.dhs.gov/files/programs/ntas.shtm</u> and released to the news media for distribution. DHS will also distribute alerts across its social media channels (blog, Twitter, Facebook and RSS Streams).





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### monday morning BRIEFING

May 2, 2011

#### **EPA Releases New CWA Guidance For Comment,** Will Begin Rulemaking To Clarify Scope

EPA last week released a long-awaited proposed guidance intended to clarify the jurisdiction of the federal Clean Water Act (CWA) following two U.S. Supreme Court decisions that narrowed its applicability with regard to non-navigable waters.

In announcing release of the guidance, EPA Administrator Lisa Jackson said it is not binding and does not carry the force of law, but it should be used by EPA field staff charged with making on-the-ground

#### This Week In Congress

Congress returns to Washington from its spring recess this week, and the House is expected to consider bills that promote offshore drilling and prohibit taxpayer funding of abortion services. The Senate is scheduled to consider several judicial nominations and may also debate a measure to eliminate oil industry tax incentives.

determinations of CWA applicability. The guidance will be open for a 60-day comment period following its publication in the *Federal Register*, and EPA will then launch a rulemaking process to further clarify when discharges to isolated wetlands and other marginal waters are subject to federal oversight.

EPA officials have said the proposed guidance reaffirms protections for small streams that feed into larger streams, rivers, bays and coastal waters, as well as wetlands that filter pollution and help protect communities from flooding. A 2006 U.S. Supreme Court plurality opinion specified that isolated or adjacent wetlands must have a "significant nexus" to a traditional navigable water in order to receive CWA protection.

A copy of the draft guidance can be downloaded at http://tinyurl.com/CWA-Guidance.

#### Florida Petitions For Rescinding Of Nutrient Criteria; Court Order Would Shift Everglades CWA Permitting To EPA

The Florida Department of Environmental Protection (DEP) filed a petition with EPA seeking to rescind the agency's 2009 finding that numeric nutrient criteria were necessary for the state's waters. Gov. Rick Scott said the petition asks EPA to withdraw its determination before any further action is taken by the agency "to propose, promulgate or implement" numeric nutrient criteria in Florida.

Meanwhile, an April 26 Omnibus Order by Judge Alan S. Gold in the U.S. District Court for the Southern District of Florida (*Miccosukee Tribe of Indians of Florida vs. U.S.*) aims to transfer Clean Water Act permitting authority from DEP to EPA. "The heart of this matter remains in enforcement under the Clean Water Act," Judge Gold wrote. "The EPA has represented that it wants to act. It must be given the opportunity to do so."

#### New Report Says Climate Change Puts Western Water Resources at Risk

A new report released by the U.S. Department of the Interior and the Bureau of Reclamation finds that global climate change will impact water resources in the western U.S. through factors ranging from higher temperatures to changing precipitation patterns.

The report, requested by Congress through the SECURE Water Act of 2009, notes that projected changes in temperature and precipitation are likely to impact the timing and quantity of stream flows in all western basins, which could impact water available to farms and cities, hydropower generation, fish and wildlife, and recreational uses. Specific projections for the 21<sup>st</sup> century include:

- a temperature increase of 5 to 7 degrees Fahrenheit;
- a precipitation increase over the northwestern and north-central portions of the western U.S. and a decrease over the southwestern and south-central areas;
- a decrease for almost all of the April 1 snowpack, a standard benchmark measurement used to project river basin runoff; and
- an 8 to 20 percent decrease in average annual stream flow in several river basins, including the Colorado, Rio Grande and San Joaquin.

Interior Secretary Ken Salazar said better understanding the impacts of climate change on western water resources "will help us identify and implement appropriate mitigation and adaptation strategies for sustainable water resource management." Bureau of Reclamation Commissioner Mike Connor said the report demonstrates that "impacts to water are on the leading edge of global climate change."

A copy of the report can be accessed through AMWA's climate change webpage at www.amwa.net/cs/climatechange.

#### State Water Regulator Named To EPA Post

The director of the Division of Water Quality Programs at the Virginia Department of Environmental Quality (DEQ), Ellen Gilinsky, has joined EPA as a senior policy adviser to the acting-assistant administrator for water. Before heading the water division, she was manager of DEQ's Office of Wetlands and Water Protection, and she spent 12 years as an environmental consultant at several regional and national environmental engineering firms, focusing on water issues. Dr. Gilinsky is a past-president of the Association of State & Interstate Water Pollution Control Administrators.

#### EPA, WaterISAC Offer Training On New Tabletop Exercise Tool

WaterISAC and EPA representatives will present training webinars on the agency's new *Tabletop Exercise Tool for Water Systems: Emergency Preparedness, Response, and Climate Resiliency* (TTX Tool). The tool contains materials to assist planning and facilitate tabletop exercises on water sector issues, as well as 15 scenarios addressing an all-hazards approach to emergency preparedness and response, including natural hazards, man-made incidents and potential impacts of climate change.

The first webinar (**Thursday, May 26 from 3:00-4:00 p.m. EDT**) will provide an overview of the functionality of the TTX Tool. The second (**Thursday, June 2 from 3:00-4:30 p.m. EDT**) will provide more detailed information on how to use the materials on the tool to plan, design, facilitate and evaluate water sector-specific exercises.

The webinars are free and open to all WaterISAC subscribers. Sign up at www.waterisac.org/signup.

#### **Reminder: Nutrient Pollution Inquiry Responses Due May 6**

Responses to the Member-to-Member Inquiry from Des Moines Water Works concerning how AMWA member utilities are addressing nutrient pollution in their source water supplies are due by Friday, May 6. To complete the brief survey, go to www.surveymonkey.com/s/DesMoinesWaterWorksNutrientPollution.

AMWA may wish to use some of this data to support its advocacy on Capital Hill in favor of stronger policies to reduce the flow of nutrients into source waters, but the survey will allow respondents to request that their utility's data be kept anonymous. Questions about this inquiry should be directed to Dan Hartnett in AMWA's office at 202-331-2820, hartnett@amwa.net.





ASSOCIATION OF

## monday morning BRIEFING

May 9, 2011

#### EPA Publishes CWA Guidance Proposal, Seeks Comment By July 1

On May 2, the Environmental Protection Agency and the U.S. Army Corps of Engineers published in the *Federal Register* their proposed guidance describing how the agencies will identify waters under the jurisdiction of the Clean Water Act (76 *FR* 24479). A copy of the proposed guidance is available at http://tinyurl.com/CWA-Guidance, and comments are due by July 1. See the May 2 issue of *Monday Morning Briefing* for more information on the proposed guidance.

#### This Week In Congress

The Capitol Hill agenda this week includes a House vote on the 2011 intelligence authorization bill and a Senate cloture vote on President Obama's nominee for the second-ranking position in the Justice Department.

In addition, Senate Budget Committee Chairman Kent Conrad (D-N.D.) plans to introduce his fiscal year 2012 budget blueprint this week.

#### Lautenberg Legislation Would Expand Unregulated Contaminant Monitoring

New Jersey Democratic Senator Frank Lautenberg last week introduced legislation that could dramatically increase the number of drinking water contaminants for which EPA requires monitoring.

S. 875, the "Drinking Water Right to Know Act," would allow EPA to require water systems to continually monitor their supplies for any contaminant detected during testing under the unregulated contaminant monitoring program. Under the proposal, water systems would be required to "continue to monitor for the detected contaminant for such period, at such frequency, and at such levels of concentration as the Administrator determines to be appropriate."

Additionally, the bill specifies that raw data from EPA's drinking water contaminant occurrence database must be made available to the public. Currently, the Safe Drinking Water Act requires that "information from the data base shall be available to the public in readily accessible form."

Sen. Lautenberg first announced plans to introduce his legislation during February hearings on chromium-VI in drinking water, where he claimed "too many people [are] still drinking water contaminated with dangerous pollutants." It is not clear whether the Senate Environment and Public Works Committee will advance the bill, but it would appear unlikely to have a chance to pass both houses of Congress.

#### GAO Review Identifies Benefits, Obstacles As Stimulus Distributed Water Funds

A review by the Government Accountability Office of how nine states distributed water and wastewater funds that flowed from the 2009 economic stimulus legislation found that the program succeeded in creating jobs, but also forced states to reshuffle some of their project funding priorities.

The report, which was presented to the House Transportation and Infrastructure Committee last week and is available at www.gao.gov/products/GAO-11-642T, explains that the nine surveyed states funded a total of 419 drinking water and clean water infrastructure projects with \$832 million in SRF funds allocated by the stimulus bill. At the height of the program in the second quarter of 2010, stimulus-supported water projects in these nine states directly funded roughly 15,000 full-time-equivalent jobs. This figure does not include the secondary employment impact felt by parts suppliers or local communities. Overall, the stimulus program infused \$6 billion into the Drinking Water and Clean Water SRF programs, which supported more than 3,000 water projects across the U.S.

Of the stimulus drinking water funding distributed nationwide, 52 percent was used for transmission and distribution projects and another 26 percent went to water treatment projects. But the report also uncovered complications caused by funding criteria inserted into the stimulus bill. For example, some higher-priority projects were passed over for funding because states had to set aside 30 percent of their share of stimulus funds for "green" projects. Additionally, some communities withdrew applications for stimulus dollars because of Buy American rules and Davis-Bacon wage requirements that were added by Congress.

#### Subcommittee Advances CFATS Reauthorization, Postpones Water Debate

The House Environment and Economy Subcommittee last week quickly approved legislation to reauthorize the Department of Homeland Security's Chemical Facility Anti-Terrorism Standards (CFATS) program.

The bill (H.R. 908) would extend the existing CFATS program, as well as the exemption for water and wastewater systems, through the 2017 fiscal year. The subcommittee approved one amendment to the bill that would authorize just under \$90 million per year for DHS to carry out the program. But unlike similar legislation that won approval in a House Homeland Security subcommittee last month (H.R. 901), this bill would preserve the Energy and Commerce Committee's primary jurisdiction over CFATS.

The measure is expected to advance to the full Energy and Commerce Committee soon, perhaps even this week. But the bill's full committee markup will likely be more animated than last week's subcommittee action, as committee Democrats are expected to offer multiple amendments. Some of the amendments are expected to relate to the use of so-called "inherently safer technologies" (IST) and the "security gap" caused by the water sector's CFATS exemption. Such amendments would be unlikely to pass because committee Republicans are firm in opposition to IST mandates and signaled a willingness to look at drinking water security separately in subsequent legislation.

#### New Bill Would Create Task Force On Pharmaceutical Disposal

New legislation introduced by Rep. Candice Miller (R-Mich.) would require EPA to convene a task force to develop recommendations for the proper disposal of unused pharmaceuticals. H.R. 1677, the "Drug Free Water Act," specifies that the task force's recommendations should aim to reduce detrimental environmental or human health impacts caused by flushing pharmaceuticals into water systems and provide strategies for limiting the flushing of pharmaceuticals. The task force would have one year to complete and submit its report to Congress.

The bill follows last year's passage and enactment of separate legislation that will lead to new federal regulations that make it easier for communities to hold drug take-back events, with the aim of giving consumers additional drug disposal options. An EPA study on the environmental impacts of flushing unused pharmaceuticals was included in early drafts of last year's bill, but was stripped from the final version.

#### EPA Seeks Nominees For Children's Health Protection Advisory Committee

EPA is seeking nominations for its Children's Health Protection Advisory Committee (CHPAC), a Federal Advisory Committee chartered to advise the EPA Administrator on issues affecting children's health. The CHPAC is looking for representatives from the private sector, state and local government, and other areas with experience in children's environmental health policy, specific issues – such as lead poisoning, asthma, chemical exposures and public health information tracking – and knowledge of EPA regulation development, risk assessment, exposure assessment and children's environmental health disparities. The CHPAC meets two to three times a year and committee members are expected to spend 10-15 hours a month on activities of the committee. Nominations are due May 20.

For more information visit http://tinyurl.com/chpac-may2011. AMWA members interested in being nominated by the association are asked to contact Erica Brown by May 13. Potential candidates may also self-nominate.

#### Taste And Odor Case Studies Highlighted In May 19 Webinar

EPA is hosting a free webinar on May 19 from 1:00 - 3:00 p.m. EDT to present three case studies in taste and odor identification, response and control. Case studies will cover surface water issues such as problems caused by algae, distribution system issues such as storage problems and main replacements, and customer plumbing issues. To register, visit https://www2.gotomeeting.com/register/469510307.

#### NCADAC Conference Call Scheduled

The National Climate Assessment and Development Advisory Committee (NCADAC) will meet via conference call on May 20, from 1:00 - 5:00 p.m. EDT. The meeting notice (76 *FR* 25309) says the NCADAC will consider white papers prepared by ad-hoc working groups on:

- 1. The National Climate Assessment Interim Strategy, the NCA Draft Outline and Federal Activities;
- 2. Engagement Strategy and Requests for Information;
- 3. Scenarios and Regional Summaries; and
- 4. Peer Review, Data Management and Development of an NCA Portal.

There will also be a public comment period during the call. For more information, contact Dr. Cynthia Decker, Designated Federal Official, at cynthia.decker@noaa.gov or visit www.globalchange.gov/what-we-do/assessment.

#### Young Activists File Lawsuits Seeking Government Action On Climate Change

The Associated Press reported last week that an Oregon-based non-profit organization, Our Children's Trust, filed complaints for "declaratory and injunctive relief" in several states and in federal court seeking to have the atmosphere declared by the courts a "public trust" deserving special protection under the

Public Trust Doctrine. The action was filed on behalf of several youths, through their guardians, representing the "youngest living generation of beneficiaries of the Public Trust," as well as two other organizations.

The complaint, filed against EPA Administrator Lisa Jackson, Interior Secretary Ken Salazar and several other agency heads, states that the U.S. government "has a fiduciary duty to protect our natural resources and our human rights from threats, such as effects of human-induced global energy imbalance." The complaint states that the government continues to "violate their fiduciary duties to protect the atmosphere for these Plantiffs as well as for all children across our country."





ASSOCIATION OF

## monday morning BRIEFING

May 16, 2011

#### **Committee Delays Vote on CFATS Reauthorization Bill**

The House Energy and Commerce Committee postponed consideration of legislation to reauthorize the Department of Homeland Security's Chemical Facility Anti-Terrorism Standards (CFATS) program last week after debate on an unrelated medical malpractice reform bill ran longer than anticipated. Energy and Commerce Committee Chairman Fred Upton (R-Mich.) told reporters after the markup that consideration of the CFATS bill may be rescheduled for as early as next week.

#### This Week In Congress

The Senate is expected to hold a procedural vote this week on a measure that would eliminate a number of oil industry tax incentives.

The House is out of session this week, but members will return to Washington next Monday.

H.R. 908, the "Full Implementation of the Chemical Facility Anti-Terrorism Standards Act," would continue the existing CFATS program largely unchanged through the 2017 fiscal year. As introduced, the legislation would not impact the exemption of water and wastewater facilities from CFATS. But Democrats on the committee have criticized the absence of water facilities from the bill, with ranking member Henry Waxman (D-Calif.) stating that they represent "security gaps that we need to close."

Committee Republicans have indicated that they would prefer to look at drinking water security separately, after consideration of the CFATS bill is complete. AMWA and other water sector associations announced their support for this approach in a letter sent to the committee last week. The letter stated in part, "Any updates to water facility security laws should be the product of careful consideration of the missions and characteristics of drinking water systems and their communities, and not simply tacked-on to legislation designed for the chemical manufacturing industry."

A copy of the letter is available on AMWA's Legislative Information webpage.

#### Peer Review Panel Urges EPA to Consider Emerging Cr-VI Research

A peer review panel of nine independent scientists discussed EPA's draft *IRIS Toxicological Review of Hexavalent Chromium* on May 12 and by-and-large recommended that the agency consider the forthcoming results of the Cr-VI Mode of Action (MOA) Research Project funded by the American Chemistry Council. Researchers from ToxStrategies presented preliminary results from the MOA Research Project to the panel during the meeting.

The MOA Research Project was designed to address data gaps from the 2008 National Toxicology Program (NTP) Cr-VI chronic bioassay drinking water study. EPA used the NTP study as the basis for the oral reference dose for Cr-VI carcinogenicity in the draft IRIS Review.

Peer review panel members discussed at length EPA's use of a linear low-dose extrapolation model for assessing Cr-VI cancer risk. Most panel members had serious concerns with this approach and suggested that Cr-VI toxicity and carcinogenicity exhibits threshold mechanisms in the human system and gut and also "demonstrates non-linearity." In addition, many panel members did not believe that the scientific evidence supported a mutagenic MOA for Cr-VI, as proposed in the draft IRIS Review.

While the panel members commended EPA on the draft IRIS Review, many also recommended that EPA reorganize and edit the draft document to address inconsistencies in the synthesis of the scientific evidence presented in the document as well as in the citations. The panel will submit its final comments to EPA in the coming weeks. EPA staff said the agency will "seriously" consider the peer reviewers' comments.

#### House Appropriations Allocation Trims Funds Available For EPA

House lawmakers will have a smaller pool of dollars from which to carve out 2012 funding for EPA under appropriations allocations announced by House Appropriations Committee leaders last week. The allocations, formally known as 302(b)s, represent the spending ceilings for the twelve annual appropriations bills that fund federal operations.

The proposal would cut funding available for the Interior, Environment and Related Agencies spending bill by \$2.1 billion, to \$27.5 billion. In addition to funding EPA, this account also funds the Interior Department, the Council on Environmental Quality, and various arts and humanities programs.

The Appropriations Committee will meet in July to determine how much of the \$2.1 billion in cuts will come out of EPA's budget. The Drinking Water and Clean Water State Revolving Fund programs will likely serve as tempting targets for cuts, as they represent some of the largest items in EPA's budget.

Earlier this year, President Obama proposed to fund EPA at nearly \$9 billion in FY12, compared to the \$8.7 billion it received this year. The President's plan would provide \$990 million for the DWSRF and \$1.55 billion for the CWSRF.

#### NOAA, USGS, Corps of Engineers Sign Water Resources MOU

The National Oceanic and Atmospheric Administration (NOAA), U.S. Geological Survey (USGS) and United States Army Corps of Engineers (USACE) <u>announced</u> last week a partnership between the agencies to "address America's growing water resources challenges." The agencies signed a Collaborative Science, Services and Tools to Support Integrated and Adaptive Water Resources Management Memorandum of Understanding (MOU) designed to facilitate and integrate water information needs. The MOU will facilitate the formation of a database portal for information developed by the agencies.

"This initiative will leverage each agency's expertise to improve water resource forecasts and facilitate informed decisions, all utilizing the best available science," said NOAA Administrator Jane Lubchenco. The MOU will also allow the agencies to coordinate and cooperate in joint studies and "sets the foundation for other federal agencies and partners to elect to join the collaborative partnership in the future." The MOU is available <u>online</u>.

#### White House Cybersecurity Proposal Invites Third-Party Assessments of Risk Mitigation Plans

An outline of proposed cybersecurity legislation released by the White House last week would enable "third-party commercial auditors" to evaluate critical infrastructure cybersecurity plans, and allow DHS to modify plans deemed inadequate.

Under the new Obama Administration proposal (available <u>online</u>) "core" critical infrastructure operators identified by DHS would prioritize their most important cyber threats and vulnerabilities, and develop response plans that would be vetted by third party auditors. DHS and the National Institute of Standards and Technology would have the power to modify "insufficient" security plans. The proposal does not explain what role, if any, sector-specific agencies like EPA would have in the process.

In comparison, cybersecurity legislation before the Senate Homeland Security and Governmental Affairs Committee (S. 413) would have DHS work with appropriate sector-specific agencies to develop risk-based cybersecurity performance requirements for covered infrastructure. Infrastructure owners and operators would then choose any combination of cybersecurity measures that meet the applicable performance standards – without giving DHS the power to force the adoption of any specific measure.

Despite the differences, leaders of the Senate Homeland Security Committee reacted positively to the White House proposal last week. A statement from committee Chairman Joe Lieberman (I-Conn.) and ranking Republican Susan Collins (R-Maine) said the "Senate and the White House are on the same track" on cybersecurity and that "the government and the private sector must work together to secure our nation's most critical infrastructure."

#### America's Climate Choices Final Report Released

On May 12 the National Academies released its <u>final report</u> of *America's Climate Choices*, a series of studies requested by Congress. The final report follows four panel reports that were released last year. The report "reaffirms that the preponderance of scientific evidence points to human activities -- especially the release of carbon dioxide and other greenhouse gases into the atmosphere -- as the most likely cause for most of the global warming that has occurred over the last several decades." The report also notes that addressing the complexities and uncertainties of climate change will require the U.S. to apply an iterative risk management framework.

The report recommends that the U.S. "make efforts to:

- significantly reduce greenhouse gas emissions;
- prepare for adapting to impacts;
- invest in scientific research, technology development, and information systems; and
- facilitate engagement between scientific and technical experts and the many types of stakeholders making America's climate choices."

A link to the report is also available on AMWA's Climate Change webpage at <u>http://www.amwa.net/cs/climatechange</u>.





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May 23, 2011

## AMWA Submits Comments On Forest Service Planning Rule

AMWA submitted comments on May 16 to the Forest Service on its proposed planning rule (www.fs.usda.gov/planningrule). According to the Forest Service, the proposed rule would "establish a new national framework to develop land management plans that protect water and wildlife and promote vibrant communities."

AMWA's comments highlight the role of water utilities as stakeholders and in some circumstances comanagers of watershed forest lands. The letter urges

#### This Week In Congress

The House and Senate this week are expected to vote on a four-year extension of several government surveillance powers under the Patriot Act, which are scheduled to expire before the end of the month.

The Senate is also expected to hold votes on the House-passed 2012 budget resolution, as well as President Obama's 2012 budget proposal. Neither is expected to attract the support necessary for passage.

the Forest Service to work with its federal, state and local governments to coordinate program efforts to make better use of available resources (technical, institutional and financial) and to encourage flexible innovative approaches to meeting water quality objectives.

AMWA's letter is available on the Regulatory Committee page: http://tinyurl.com/AMWA-RegCmte.

#### Eminent Leaders To Speak At June 13 Water For People Gala - Get Tickets Today

The Water For People DC Committee recently announced that Undersecretary of State for Democracy and Global Affairs Maria Otero and Ambassador Hattie Babbitt will speak at the Water For People Gala on Monday, June 13 in Washington, D.C.

The site of this special charity reception will be the National Museum of Women in the Arts. Gala attendees will enjoy live Andean and Bolivian music and hors d'œuvres inspired by cuisine typically served in Water For People's service areas – Latin America, Africa and India.

Undersecretary Otero and Ambassador Babbitt recently spoke about the relationships between water security and human security, and diplomatic efforts on water and sanitation.

The Water For People Gala will bring together humanitarians, utility managers, industry leaders and national policy-makers who are on the forefront of making a positive impact on global water issues. The theme of the Gala is Women in Water, to recognize the accomplishments of women and girls from around the world who endeavor to secure water for their communities, often at the expense of education and work.

The VIP reception will begin at 5:30 p.m. and the general reception will run from 5:30 to 9:30.

Many AMWA subscribers are sponsoring the gala:

- Country Level: AECOM, CDM, Malcolm Pirnie/Arcadis
- Municipality Level: Carollo Engineers, CH2M Hill, EMA Inc., HDR, Pure Technologies, Raftelis Financial Consultants, and Westin
- Village Level: Hazen and Sawyer
- Contributing: RNR Consulting

For more information and to purchase tickets, visit the D.C. Committee's website: http://tinyurl.com/June13Gala.

#### PAB, Small System Regulation Bills Reintroduced In Congress

Several bills to address water infrastructure funding needs and the regulatory burden on small water systems were reintroduced in Congress earlier this month, though it is not clear whether these proposals stand a better chance of winning passage than versions offered in previous years.

Introduced by Sen. Bob Menendez (D-N.J.) and Rep. Bill Pascrell (D-N.J.), the "Sustainable Water Infrastructure Act" (S. 939/H.R. 1802) would lift the state volume cap on private activity bonds (PABs) used to fund water and wastewater facilities. Private entities (with state government approval) may currently issue PABs to fund infrastructure projects that deliver a public benefit, but federal law limits the total amount of PABs that may be issued in a single state in a single year. This means water projects must compete for limited PAB financing with a variety of other infrastructure sectors.

By exempting water projects from PAB state volume caps, supporters argue that more financing will be made available for water infrastructure projects that can create local jobs and help close the multi-billion dollar water infrastructure funding gap. The legislation has been offered in previous years – and passed the House last year as part of a larger tax bill – but has never made it through the Senate.

Meanwhile, Senate Environment and Public Works Committee Ranking Republican James Inhofe (Okla.) reintroduced his "Small System Safe Drinking Water Act" (S. 999). This bill would not allow EPA to take an enforcement action against a drinking water system serving fewer than 10,000 people without first verifying that the community can afford any required upgrades. The legislation would also require EPA to ensure that drinking water standards imposed on small systems are not more expensive, on a per-capita basis, than standards imposed on large systems.

Sen. Inhofe has introduced the bill in every Congress since 2003, but the chances of this years' version moving through the Senate appear remote.

#### DHS Releases Grant Guidance For FY2011 Preparedness Grants

Last week the Department of Homeland Security (DHS) announced the release of its FY11 grant guidance and application kits for 12 of its programs totaling \$2.1 billion to assist states, urban areas, tribal and territorial governments, non-profit agencies and the private sector in strengthening the nation's ability to prevent, protect, respond to and recover from terrorist attacks, major disasters and other emergencies.

Find more information on the preparedness grant programs, eligibility and how to apply at www.fema.gov/government/grant/nondisaster.shtm.

DHS also developed a consolidated document with all private sector guidance (www.fema.gov/pdf/privatesector/fy11\_psd\_guidance.pdf). The link includes the Public-Private Collaboration Supplemental as well as excerpts from the Homeland Security, Emergency Management Performance and Tribal Homeland Security Grant Programs, along with links to the full source documents.

Utilities not eligible for grants this year are urged to plan ahead and work with their state and local government partners on including their facilities in FY12 state and urban area security funding requests.

#### **EPA Announces Online SDWA Enforcement And Compliance Tool**

Last week EPA announced the availability of a Drinking Water Data Search within the agency's Enforcement and Compliance History Online (ECHO) website. The drinking water search page (www.epa-echo.gov/echo/compliance\_report\_sdwa.html) allows users to search "to see whether drinking water in their community met the standards required under the Safe Drinking Water Act."

The database is a more user-friendly interface than previously existed for SDWIS data and is searchable by source water type, population served and violation type. Violations are reported per Public Water System Identification (PWSID) number. The database also includes an important list of data caveats (www.epa-echo.gov/echo/help\_sdwa.html#caveats) about the limitations of the data, including time lags in the reported data and known data problems for certain states.

#### New AMWA Podcasts Available

The latest issues of AMWA's *Congressional Report, Regulatory Report* and *Water Utility Executive* are discussed in new podcasts that can be accessed from AMWA's homepage: www.amwa.net.

The Latest Water Policy News



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### monday morning BRIEFING

May 30, 2011

#### **Briefing Published Early**

The *Monday Morning Briefing* is being published early, in advance of Memorial Day. The AMWA office will be closed on Monday, May 30, in observance of the holiday.

## Case Study On MWRA Pipe Break Response Released

AMWA has published a case study on the Massachusetts Water Resources Authority's (MWRA) emergency response to a major pipe break in May 2010 involving more than two million people and thousands of large industrial users in 30 metropolitan Boston communities. The comprehensive review, funded through a grant from the Alfred P. Sloan Foundation and co-sponsored by the Water Research Foundation and WaterISAC, presents an in-depth example of the drinking water emergency response

#### This Week In Congress

Senators are away from Washington enjoying a Memorial Day recess this week, but the House of Representatives remains in session. The lower chamber will begin considering FY12 appropriations legislation, with the Veterans Affairs and Homeland Security spending bills topping the agenda.

The Homeland Security appropriations bill includes a one-year extension of the existing CFATS program, which will keep the program running if Congress doesn't pass a long-term reauthorization before October. The extension will maintain the water and wastewater utility exemption from the program.

process and analyzes the challenges, successes and lessons related to the process.

The report, produced by Stratus Consulting, analyzes the actions of MWRA and other state and local responders involved in the incident. It identifies areas where the responders acted successfully as well as areas where they encountered challenges. *Multi-agency Response to a Major Water Pipe Break: A Massachusetts Case Study and Evaluation* can be downloaded at www.amwa.net/cs/security.

#### **Senators Push To Preserve SRF Funding**

A bipartisan group of 35 senators wrote to the leaders of the Senate Appropriations Committee last week urging them to preserve funding for the Drinking Water and Clean Water State Revolving Fund (SRF) programs in the forthcoming FY12 spending bills.

Authored by the leaders of the Senate Environment and Public Works Committee, the letter notes EPA has identified \$334.8 billion in drinking water infrastructure needs over the next 20 years and explains the job-creating potential of water and wastewater projects. The letter does not request a specific funding level for the SRFs in 2012, but argues "(i)t is critical that the federal government remains a reliable partner in meeting the nation's clean water and safe drinking water needs." A copy of the letter is available at http://tinyurl.com/30kzoq3.

AMWA and other water sector groups reached out to numerous Senators to ask them to sign the letter and display support for water infrastructure funding. President Obama has requested just over \$2.5 billion for the SRFs in 2012, and House appropriators hope to release a draft of their proposed EPA spending bill within the next several weeks.

#### White House Unveils Agency Regulatory Review Plans

In response to President Obama's Executive Order 13563, *Improving Regulation and Regulatory Review* (76 *FR* 3821), the White House last week released preliminary regulatory "look-back" plans for 30 federal agencies, including EPA. The plans, online at www.whitehouse.gov/regulatoryreform, are open for comment through June 25.

EPA's plan identifies 31 regulatory reviews that will lead to "16 concrete actions in 2011." The plan speaks to improved electronic reporting, improved transparency, innovative compliance approaches and systems approaches to solving environmental problems. The agency's Drinking Water Strategy is highlighted as an integrated systems approach.

EPA's early actions include improving cost estimates, an issue raised in AMWA's comments to the agency. Other early actions include: clarifying permitting requirements for wet weather flows; working with USDA and states to foster resource conservation and water quality efforts by farmers and landowners; and coordinating NPDES permit requirements.

Over the longer term, EPA says it will consider reviewing the Consumer Confidence Report Rule to improve communication effectiveness, propose revisions to the Lead and Copper Rule and address reporting requirements and water quality trading approaches under the Clean Water Act.

#### Committee Approves CFATS Extension, Avoids Water Debate For Now

The House Energy and Commerce Committee approved legislation last week to extend the Department of Homeland Security's CFATS program, but largely avoided debating the merits of strengthening security requirements at drinking water facilities. The bill does not impact the water and wastewater system exemption from CFATS.

As approved by the Committee, H.R. 908, the "Full Implementation of the Chemical Facility Anti-Terrorism Standards Act," would continue the CFATS program for chemical facilities largely unchanged through October 2018. Unlike competing legislation (H.R. 901) pending before the House Homeland Security Committee, the Senate bill would preserve the Energy and Commerce panel's primary jurisdiction over CFATS. Five Democrats ultimately joined all Committee Republicans in backing the bill. While several Democratic members of the Committee cited the lack of new water security regulations as a weakness of H.R. 908, water utility security issues were mostly avoided during debate. Republican leaders on the Committee previously said they would look at water facility security needs later.

This Wednesday, the full House Homeland Security Committee is expected to vote on its own CFATS reauthorization bill, H.R. 901. During the bill's subcommittee markup in April Democrats unsuccessfully offered an amendment to regulate water systems under CFATS but delegated oversight authority to EPA. A similar amendment is likely this week, although it is again expected to fail.

#### DHS Explains White House Cyber Proposal To Congress

DHS officials defended the White House's cybersecurity proposal at a congressional hearing last week, arguing that better coordination between the federal government and the private sector is necessary in light of an increasing number of cyber attacks against the nation's critical infrastructure systems.

Testifying at a hearing of the Senate Homeland Security and Governmental Affairs Committee, DHS Deputy Under Secretary of National Protection and Programs Directorate Philip Reitinger said the Administration's proposal addresses gaps in current law by clarifying that private organizations and local governments that suffer cyber attacks may voluntarily accept assistance from the federal government. The White House proposal would also facilitate the voluntary sharing of cyber threat information with the federal government and would establish a structure through which DHS would work with critical infrastructure entities "to propose standardized risk mitigation frameworks." Individual critical infrastructure operators covered by the law would devise a cyber plan that meets the applicable framework, and third-party entities would evaluate individual plans.

Homeland Security and Governmental Affairs Committee Chairman Joe Lieberman (I-Conn.) called for the creation of a White House Cybersecurity Office with a Senate-confirmed leader who would be a liaison between DHS and infrastructure sector representatives. Such an office would be created through Lieberman's own cybersecurity bill, S. 413. Lieberman's bill would apply new cyber rules to critical infrastructure assets that are included on the DHS "prioritized critical infrastructure list."

Susan Collins, the Committee's Ranking Republican, voiced caution over sections of the White House proposal that call for the publication of audits reviewing how well private entities protect critical infrastructure from cyber attacks. Collins warned that publishing such information could aid criminals, although Reitinger said the reports would include only high-level information.

Testimony from last week's hearing is available at http://tinyurl.com/3lvvozm. The Obama Administration's cybersecurity proposal is online at http://tinyurl.com/3s3eq5n.

#### **Stakeholder Meeting Planned**

EPA will host a public stakeholder meeting June 16 from 1:00 to 5:00 p.m. EDT in Washington, D.C. to discuss the agency's Regulatory Determinations 3 (Reg-Det 3). EPA is in the early stages of making decisions about whether to regulate any of the unregulated contaminants on the third Contaminant Candidate List (CCL3). The agenda will also cover the contaminants and the technical information the agency is considering. Individuals planning to attend must register by contacting Melissa Simic at (202) 564-7722 or simic.melissa@epa.gov no later than Wednesday, June 8.

#### SAB Drinking Water Committee Seeks Nominees

The EPA Science Advisory Board (SAB) is seeking nominees for its Drinking Water Committee, which provides advice on the technical aspects of EPA's national drinking water standards program. The SAB is looking for experts in the disciplines of microbiology, epidemiology, public health and environmental engineering. To be considered for nomination by AMWA, contact Erica Brown (brown@amwa.net) before June 17. More information is online at http://tinyurl.com/SAB-noms. Although the *Federal Register* notice on the SAB site indicates nominations were due earlier this month, SAB staff will accept nominations for the next several weeks.



June 6, 2011

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### **Energy And Water Spending Bill Reduces Army Corps Cut, Blocks "Waters of the U.S." Guidance**

A 2012 Energy and Water spending bill approved by a House subcommittee last week would provide the U.S. Army Corps of Engineers with slightly more funding than President Obama requested, but would also block the administration from implementing a controversial guidance seeking to clarify when discharges to isolated wetlands and other marginal waters are subject to Clean Water Act regulations.

Overall, the bill would provide just under \$4.8 billion for the Corps – roughly \$390 million less than it received in 2011, but nearly \$200 million more than President Obama asked in his 2012 budget. Of the total, \$1.5 billion would be for construction projects and \$2.3 billion would go to operations and maintenance. Republican leaders of the Appropriations Committee report that the bill includes no congressional earmarks.

The legislation would also cut funding for the Bureau of Reclamation to \$971 million – \$91 million below its 2011 funding level and \$47 million below President Obama's request.

The bill includes several policy riders that would restrict administration activities, including one provision blocking the Corps from spending any funds to implement or enforce any new rules or guidance amending the jurisdiction of the Clean Water Act. The provision is aimed at stopping the advancement of a controversial draft guidance, issued jointly by EPA and the Corps April 27, that would modify the government's interpretation of when discharges to wetlands and other marginal waters are governed by the Clean Water Act. Many Congressional Republicans, and some Democrats, have criticized the guidance, claiming it could greatly expand federal authority over isolated and intrastate waters. A similar restriction will likely be attached to the Interior-EPA spending bill, which is due to be marked up in July.

The full House Appropriations Committee is expected to consider the Energy and Water spending bill next week, and it will go to the House floor later in the summer.

#### **This Week In Congress**

The House of Representatives is in recess this week, but the Senate is back in session and is expected to vote on a proposal to delay implementation of a law limiting the fees that merchants pay to banks on debit cards.

The Senate may also consider a pair of measures that would speed up the process of confirming presidential appointees and remove the confirmation requirement entirely for some low-level positions.

### Homeland Committee Delays CFATS Markup; Spending Bill Would Extend Program One Year

A planned House Homeland Security Committee markup of legislation (H.R. 901) to extend the Department of Homeland Security's Chemical Facility Anti-Terrorism Standards (CFATS) program through 2018 was postponed last week as the Committee attended to other business. With the House on recess this week, the earliest the Committee could revisit the bill is next week.

Both H.R. 901 and a similar CFATS reauthorization bill approved by the Energy and Commerce Committee last month (H.R. 908) would continue the water and wastewater sector's exemption from the CFATS program.

Meanwhile, last week the House approved 2012 funding legislation for DHS. The bill includes a one-year CFATS extension – through October of 2012 – which will keep the program operating in its current form should Congress not agree on a long-term extension before then.

### **CEQ Releases Draft Plan For Managing Water Resources In A Changing Climate**

Last week the Council on Environmental Quality (CEQ) released for comment the *Draft National Action Plan for Managing Freshwater Resources in a Changing Climate.* The report was developed in response to a specific recommendation from the 2010 Interim *Progress Report* by the CEQ Interagency Climate Change Adaptation Task Force. The plan establishes a national goal: "Government agencies and citizens collaboratively manage freshwater resources in response to a changing climate in order to assure adequate water supplies, to protect human life, health and property, and to protect water quality and aquatic ecosystems."

To accomplish this goal the plan identifies six recommendations for federal agencies:

- establish a planning process to adapt water resources management to a changing climate that includes better coordinating federal agencies and maintaining strong engagement with state, local and tribal governments, stakeholders and the public;
- improve water resources and climate data;
- strengthen assessment of vulnerability;
- improve water use efficiency;
- support integrated water resources management; and

• educate water resource managers and build capacity.

Although the recommendations are similar to others that have been previously issued in reports from other government agencies, the CEQ report also lists 24 specific supporting actions. These include:

- create a program to align "hydroclimatic" statistics;
- develop a pilot climate change vulnerability index for a major category of water facilities, such as drinking water systems, to help facility managers prioritize their adaptation responses;
- revise federal water project planning standards to address climate change; and
- develop benchmarks for incorporating adaptive management into water project designs.

Public comments may be submitted until July 15, 2011. Additional information and a link to the draft plan are online at

www.whitehouse.gov/administration/eop/ceq/Press\_Releases/June\_2\_2011.

### **Platinum Award Deadline Is July 1**

The deadline for submitting applications for AMWA's 2011 Platinum Award for Utility Excellence is Friday, July 1. Information on the program and the application form are online at <u>www.amwa.net/cs/ceo\_resources/awards</u>.

### New Bill Would Curb EPA's Clean Water Act Authority Over States

The Chairman and Ranking Member of the House Transportation and Infrastructure Committee introduced a bill last week aimed at lessening EPA's power over state water quality programs and reforming how states set water quality standards, issue discharge permits and accept comments on proposed permits.

The "Clean Water Cooperative Federalism Act" (H.R. 2018) would restrict the ability of EPA to issue revised water quality standards for pollutants if a state has already adopted a standard and the standard was approved by EPA. States would need to agree to any new standards, and the bill would further prohibit EPA from superseding a state-issued water quality certification under section 401 of the Clean Water Act.

For National Pollutant Discharge Elimination System (NPDES) permits, issued under section 402 of the Clean Water Act, the proposal would prohibit EPA from withdrawing or vetoing a permit when the agency disagrees with an adopted state standard that EPA has already approved. The bill would also keep EPA from implementing guidance in an attempt to reinterpret the approved standard.

In a statement marking the bill's release Transportation and Infrastructure Committee Chairman John Mica (R-Fla.) said the measure will "restore and preserve the federal-state partnership that is the foundation of the Clean Water Act but which is being progressively undermined by EPA." Ranking Member Nick Rahall (D-W.V.) echoed the point, saying the bill "intends to help prevent the EPA from steamrolling State permitting programs, ensuring that the states are truly partners with the federal government in protecting water quality throughout the nation."

### Field Sampling Begins For National Wetlands Condition Assessment

EPA recently began sampling the nation's wetlands as part a National Wetland Condition Assessment (NCWA). The multiyear, multi-agency effort was launched in 2007. Field sampling will take place this year in four states that chose to participate in the sampling: Alabama, Florida, Georgia and Louisiana. Results of the sampling will be used to develop statistically valid estimates of the health of the nation's wetlands.

According to EPA, the information obtained by the NCWA will be used in concert with similar surveys on the nation's coastal waters, wadeable streams, rivers and lakes "to inform decision-making on how to better protect, maintain, and restore water-quality to the Nation's aquatic resources." Additional information about the NCWA is online at <a href="http://water.epa.gov/type/wetlands/assessment/survey">http://water.epa.gov/type/wetlands/assessment/survey</a>.

# **SAB To Discuss EPA's New Strategic Directions For Research**

EPA announced in the June 3 *Federal Register* (76 *FR* 32198) that a joint meeting of the chartered Science Advisory Board and Board of Scientific Counselors will discuss the Office of Research and Development's new strategic directions for research on June 29-30 in Cary, N.C. For additional information, including the agenda and charge to the group, go to <a href="http://tinyurl.com/SAB-ORDjun11">http://tinyurl.com/SAB-ORDjun11</a>.

# Tampa Bay Water Inquiry On Research Funding Extended

Tampa Bay Water's Member-to-Member Inquiry seeking AMWA member utilities that would consider committing to funding a proposed Water Research Foundation-based tailored collaboration project has been extended to June 15. The project proposal is titled "Integrated Billing, Planning, and Customer Service Data Guidelines for Water Utilities" to develop best management practices/guidelines to meet the data collection and information management needs of the North American water industry.

The project has confirmation from several utilities around the country and needs a few more to move forward. Any utility that is interested in learning more, or would consider committing to funding this project in either small or large increments in 2011 or 2012, should contact the lead sponsor, Tampa Bay Water, Dave Bracciano (727-791-2313, dbracciano@tampabaywater.org) or the project technical lead, Dr. Jack Kiefer at Hazen and Sawyer (618-889-0498, jkiefer@hazenandsawyer.com), by June 15.



## monday morning BRIEFING

#### June 13, 2011

#### Interior Seeks Comments On WaterSMART Plan

The Department of the Interior released for comment (http://tinyurl.com/DOIWaterSmartPlan) the draft Strategic Implementation Plan for its WaterSMART conservation program (www.usbr.gov/WaterSMART). The program provides a framework for "federal leadership and assistance on the efficient use of water, integrating water and energy policies to support the sustainable use of all natural resources, and coordinating the water conservation activities of the various Interior

#### This Week In Congress

Both the House and Senate will be at work in Washington this week. The Senate is scheduled to continue debate on a measure to reauthorize the Economic Development Act, while the House is expected to vote on the FY12 Agriculture Appropriations bill and an overhaul of federal patent law.

offices." The Bureau of Reclamation administers funds for grants and scientific studies to support the program.

The 26-page draft implementation plan can be downloaded from http://tinyurl.com/WSplanpdf Comments are due August 1 to David Raff at the Bureau of Reclamation: watersmartbor@usbr.gov.

#### **EPA Releases Policy Statement On Climate Change Adaptation**

In response to recommendations from the Council on Environmental Quality (CEQ) Climate Change Adaptation Task Force (http://tinyurl.com/CEQadaptation), EPA Administrator Lisa Jackson released an agency policy statement on climate change adaptation. The statement (online at www.amwa.net/cs/climatechange) recognizes that EPA must plan for climate change by incorporating climate change considerations into "many of its programs, policies, rules and operations to ensure they are effective under future climactic conditions."

EPA will release its agency-wide climate change adaptation plan by June 2012, and the agency's program offices and regions are required to develop their own detailed implementation plans. The policy directive specifies requirements to ensure effective adaptation planning, including: applying the guiding principles and framework outlined by the CEQ Climate Change Adaptation Task Force; developing performance measures; coordinating with other agencies; and evaluating efforts and adjusting them as necessary.

#### EPA And AWWA Issue Report On Planning For Emergency Drinking Water Supply

#### EPA and AWWA recently issued *Planning for an Emergency Drinking Water Supply*

(http://tinyurl.com/EmergencyDWSupply), a report that draws on the input of 60 technical experts who reviewed alternative means of providing drinking water in the event of destruction, impairment or contamination of the public water supply. Various scenarios were assumed, such as earthquakes and contamination events requiring alternate supplies.