

Drinking Water Protection Program Update Key Topics

National Drinking Water Advisory Council (NDWAC) | December 4-5 2019

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Key Drivers for the Drinking Water Protection Division (DWPD)

- WIIN Act
- AWIA
- Agency Breakthrough Measure on Drinking Water
- Agency Kaizen/Lean Efforts



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Overview

- Updates on AWIA Requirements
- Infrastructure
- Collaborative Oversight
- Source Water Protection
- Ground Water Protection



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A photograph of a water surface with many bubbles, set against a blue background. The text "UPDATES ON ACTIVITIES UNDER AMERICA'S WATER INFRASTRUCTURE ACT" is overlaid in the center.

UPDATES ON ACTIVITIES UNDER AMERICA'S WATER INFRASTRUCTURE ACT

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America's Water Infrastructure Act (AWIA)



- Signed into law on October 23, 2018
- Major amendment to SDWA – widest scope since 1996 Amendments
- Supports EPA's Strategic Measure goals
- Also includes other Water provisions
- Agency is actively implementing provisions

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AWIA Drinking Water Mandates



- Sec. 2001. Indian reservation drinking water program. (unfunded)
- Sec. 2002. Allows funding of source water in DWSRF set-asides.
- Sec. 2003. Study on intractable water systems.
- Sec. 2004. Sense of Congress on nonpotable water reuse.
- Sec. 2005. Drinking water infrastructure resilience and sustainability.
- Sec. 2006. Voluntary school and child care program lead testing grant program enhancement. (Amends WIIN grant and adds grant for water fountain replacement – unfunded.)
- Sec. 2007. Innovative water technology grant program. (unfunded)
- Sec. 2008. Improved consumer confidence reports rulemaking.
- Sec. 2009 and 2010. Safe harbor provision and additional considerations for compliance rulemaking.
- Sec. 2011. Strategic plan for improved accuracy and availability of compliance monitoring data.
- Sec. 2012. Asset management.
- Sec. 2013. CWS risk and resilience assessments and emergency response plans.
- Sec. 2014. Increases authorization for PWSS grants.
- Sec. 2015. Davis-Bacon for state revolving loan funds.
- Sec. 2016. Source water petition programs. (unfunded)
- Sec. 2017. Drinking water technology review. (unfunded)
- Sec. 2018. Source water – notification of hazardous waste releases.
- Sec. 2019. GAO Report on SRF Federal cross-cutting requirements.
- Sec. 2020. Authorization for natural disasters. (unfunded)
- Sec. 2021. Monitoring for unregulated contaminants. (unfunded)
- Sec. 2022. Reauthorizes American iron and steel requirements.
- Sec. 2023. Increases authorization for DWSRF.
- Sec. 4201. WIFIA reauthorization and innovative financing
- Sec. 4304. Water Infrastructure and workforce investment

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Builds on Themes of SDWA

AWIA Strengthens:

- Water System Operations
- Assistance to Small and Disadvantaged Water Systems
- Consumer Right to Know
- Infrastructure

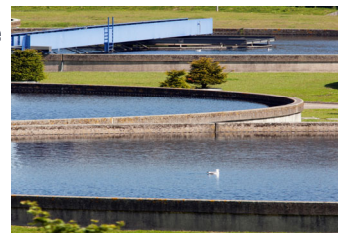


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Water System Operations



- **Source Water – authorizes funding of source water assessments and source water protection activities through the DWSRF. Up to 10% of state allocation could be used**
 - Information provided to Regions and states in March, 2019 memo
 - OGWDW is working with multi-stakeholder Source Water Collaborative to increase knowledge
- **Requires EPA to develop national assessment of lead service lines in Drinking Water Needs Survey**
 - OGWDW is currently planning the next Needs Survey, for surveying in 2020
- **Asset Management – requires states to “include as appropriate” asset management to state capacity development strategies**
 - Requires EPA to review and update capacity development materials



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Water System Operations (Cont'd)



- **Water Infrastructure and Workforce Investment** – EPA to set up competitive grant program to promote water careers
 - FY'20 Pres Bud funds this at \$300K
 - OWM/OGWDW effort. Announced Workforce Initiative at WEFTEC in September 2019
- **Study on Intractable Water Systems – by October 2020, EPA must report to Congress on findings and recommendations for intractable water systems**
 - Developed draft in September, in consultation with states and USDA
 - Expected to be finalized in 2020
- **Consolidation of Systems (“additional considerations for compliance”) – by October, 2020, EPA must promulgate regulations on consolidation of water systems**
 - Contractual Agreements - in same rulemaking, EPA must incorporate no-enforcement incentives (“safe harbor” provisions)
 - OGWDW currently initiating rulemaking

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Assistance to Small and Disadvantaged Water Systems



- DWSRF Loan Flexibilities
 - Up to 40 years for loan amortization for disadvantaged communities (was 30). Repayment initiation extended from 12 months to 18 months after project completion.
 - Creates floor of 6% for subsidization for disadvantaged communities, up to 35%.
 - OGWDW sent March 2019 memo to WDDs and states explaining the changes.
- Assistance for Small and Disadvantaged Communities (\$20M in FY18 and \$25M in FY19) – Amends WIIN grant to allow states to use grant funds to respond, on behalf of an underserved community, to a contaminant that the state determines to be a potential threat to public health
 - EPA is now accepting applications from the states. States have until Sept 2020 to apply
- Creates new grant program on infrastructure resilience and sustainability (unfunded in FY18 and FY19.)
- Lead Testing in School and Child Care Program Drinking Water Grant (\$20M in FY18 and \$25M in FY19)
 - Amends WIIN grant by requiring EPA technical assistance.
 - All states and DC have submitted applications and the first grants have been awarded by EPA.
- Creates new grant program for replacement of school drinking water fountains (unfunded in FY19.)



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Consumer Right to Know



- Requires EPA to promulgate rule by October, 2020 to revise Consumer Confidence Report (CCR) Rule
 - Requires additional information on LCR corrosion control and corrective actions due to an ALE. Requires improved readability and accuracy. Biannual delivery for systems >10,000
- Requires EPA to produce strategic plan on improved "Accuracy and Availability of Compliance Monitoring Data"
 - OGWDW worked with stakeholders to produce draft in September, 2019
 - Expect final plan by end of 2019/early 2020

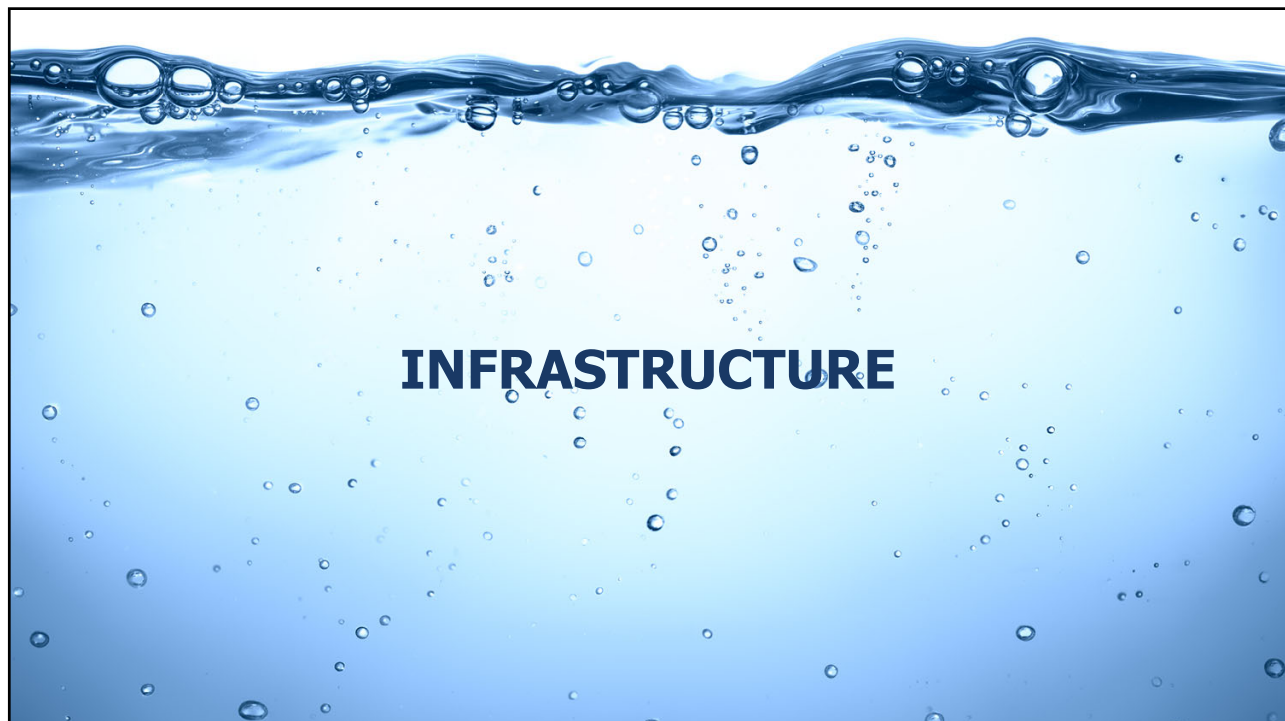
Infrastructure

- Reauthorizes DWSRF and increases authorized amounts (funded at \$1.164B in FY'19)
- Codifies Davis-Bacon and makes AIS "permanent" from FY2019-2023
- EPA sent March, 2019 memo to Regions and states informing them of the changes



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DWSRF Priorities Memo



- In June 2019, EPA released a policy memo with four national priorities areas for the DWSRF:
 - Achieve fullest utilization of funds through dynamic cash flow modeling
 - Market DWSRF opportunities to water systems
 - Employ both the DWSRF loan fund and set-asides as SDWA compliance tools
 - Safeguard the program's public trust through fiscal controls and accountability

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DWSRF National Program Priorities

- 1 Achieve fullest utilization of funds through dynamic cash flow modeling.
- 2 Market DWSRF opportunities to water systems.
- 3 Employ both the DWSRF loan fund and set-asides as SDWA compliance tools.
- 4 Safeguard the program's public trust through fiscal controls and accountability.

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Class Deviation for Water Rights



- In November 2019, EPA approved a class deviation for water rights for the DWSRF
- Previously, there was a regulatory prohibition on funding water rights
 - Presumption: water rights were primarily for growth
- In 2017 & 2018, EPA approved several project-level deviations for water rights
 - Rationale: public health protection – existing water supplies were contaminated and communities needed to find a new source
- States should indicate to EPA which projects will use this new authority
- Class deviation outlines project criteria for eligibility
- Deviations are posted on EPA's DWSRF website: www.epa.gov/dwsrf

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2020 Infrastructure Needs Survey and Assessment



- The seventh Survey since 1995 and the largest undertaken since 1999
 - All large systems, each serving over 100,000 people will be surveyed
 - A representative sample of: medium- and small- size water systems; tribal water systems; and not-for-profit non-community water systems
- Includes new questions on each system's inventory of Lead Service Lines
 - Mandated by 2018 American Water Infrastructure Act (AWIA)
- Includes new questions on operator workforce needs as well as iron and steel component needs
- Provides basis for DWSRF grant allotment to states for FY 2022-25

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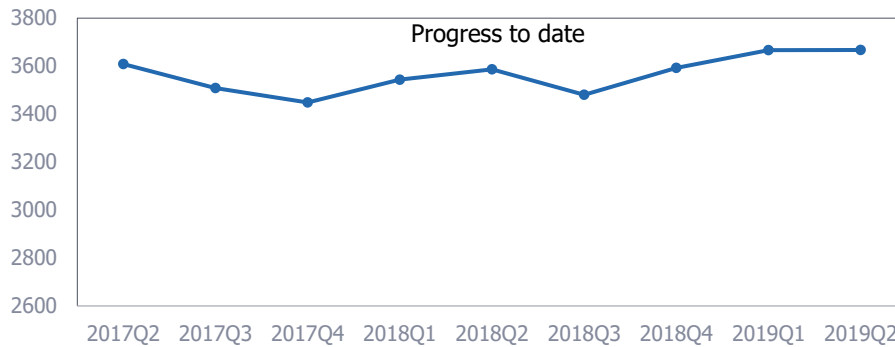
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Agency Breakthrough Measure on Drinking Water



Reduce number of community water systems out of compliance with health-based standards by 25% by 2022.

This is a reduction from the baseline of 3,508 CWSs in violation identified in 2017 to 2,700 in 2022.



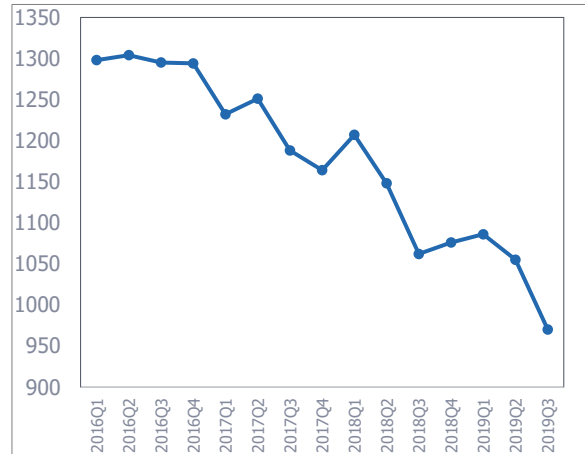
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In-Depth Analysis: Stage 2 DBPR and Consecutive Systems



- Goal: Review Stage 2 DBPR implementation to identify technical problems and improve compliance
- Stage 2 MCL violations represent 30% of health-based violations
- Special focus on consecutive systems which, in FY17, had a violation rate 3.5 times greater than non-consecutive systems
- EPA collaborated with five states to issue report on challenges and best practices (IN, KY, ND, NJ, PA)
- Conducting training based on report
- Reduction of 325 HB violations or 25% for Stage 2 in last three years



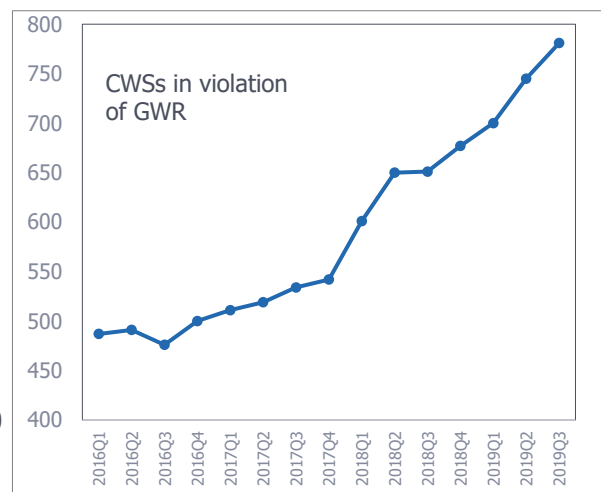
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Current In-Depth Analysis: Ground Water Rule



- Working with four state partners (AZ, FL, PA, OH) and ASDWA
- Health-based violations are TT rather than MCL
- Majority are related to failure to address a significant deficiency within 120 days
- National data analysis conducted by the EPA indicated that state implementation practices appear to play an important role
- Plan to complete report by end of Summer 2020



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Source Water/SRF Memo



- Section 2002 of AWIA allows funding of source water protection activities using DWSRF set-asides
- Expanded the eligibilities under the Local Assistance & Other State Programs (15%) set-asides
- Memo to all EPA Water Division Directors highlighting expanded source water protection eligibilities and to encourage their states to considering leveraging funds for source water protection
- Developing factsheets and case studies on how funds can and have been used for SWP
- Conducting other outreach efforts including webinars and conference presentations



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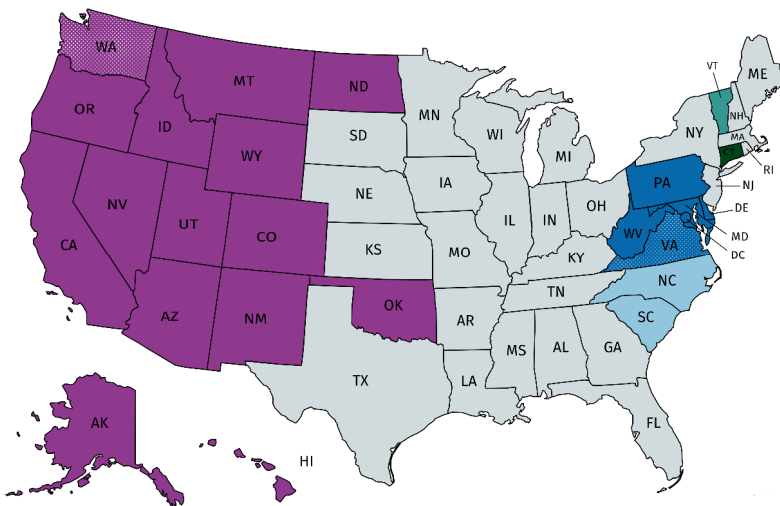
Source Water Protection Partnerships & Collaboration



- Collaboration with EPA Offices
- Source Water Collaborative
- Collaboration with Federal Agencies & External Partners
- Program Integration and Overlap Tool



2018 - 2019 Source Water Protection Partnership Workshops



- Region 3 Leadership Forum
- Vermont Planners Workshop
- Connecticut Source Water Protection Workshop
- Western States Source Water Workshop
- NC/SC Forestry and Communities
- Region 3 and VA Forestry and Communities
- Western States and Wentachee, WA, Pilot Workshops



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UIC & the Environmental Lean Management System



- **Goal Achieved:** UIC Class II individual permits issued in an average of 170 days, below the September 2019 goal of 180 days

- The success has been due in part to a focus on the development of "Standard Work", including:



- an administrative checklist for permit writers;
- templates to support communication with applicants
- a revised 7520-6 (permit application form) that accommodates information types/sources/format in 2019



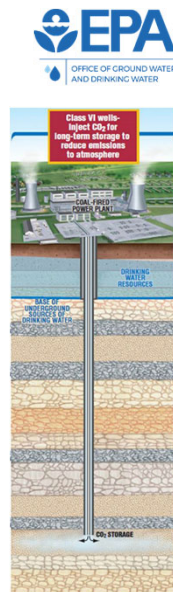
- The UIC program is continuing to implement new improvement measures that target the most common reasons for delay

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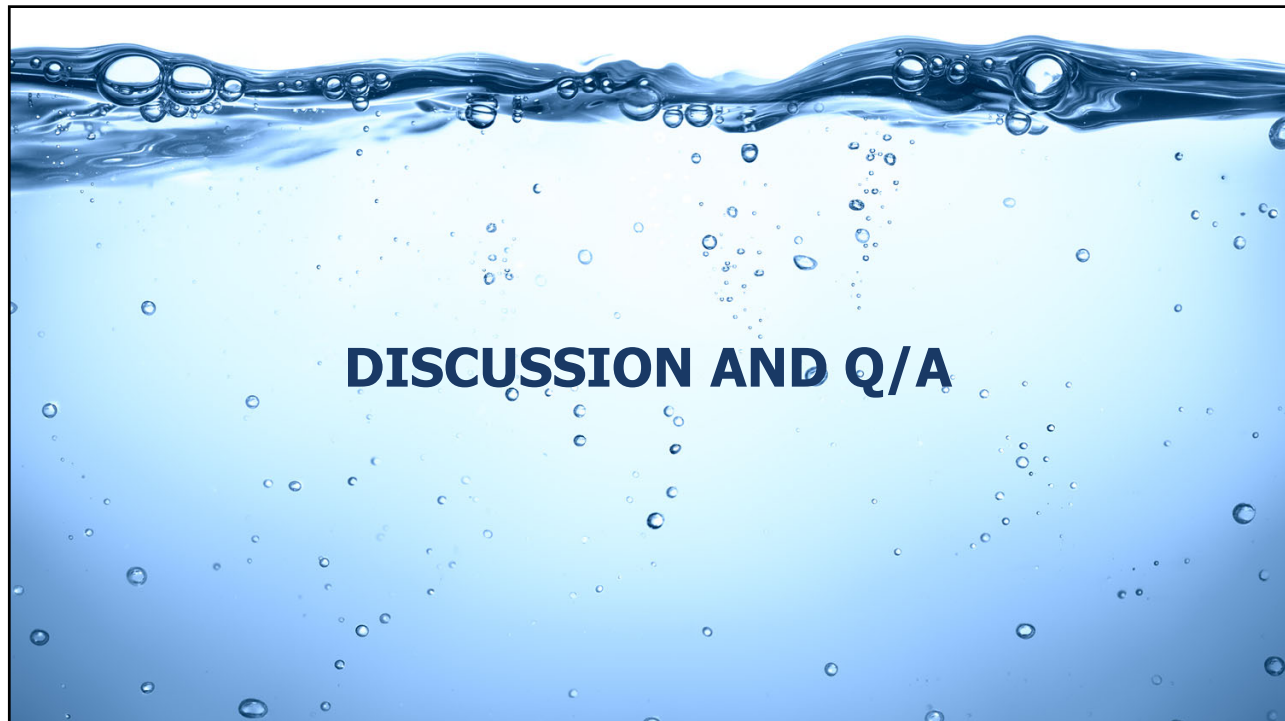
Underground Injection Control (UIC): Class VI Wells

- Class VI wells cover the injection of CO₂ for the purpose of carbon sequestration.
- In 2018, Congress amended the 45Q tax credit, which awards credits for captured and securely stored carbon oxides, to further incentivize carbon capture and storage. To qualify, construction must begin by 2023.
- EPA is seeing increased interest in Class VI, due in large part to the 45Q tax credit. The Agency is expecting and preparing for an influx of Class VI permit and primacy applications in 2020.



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