



April 1, 2013

NACWA Hosts Region 7 Integrated Planning Workshop, Regions 10 and 5 Up Next

NACWA is partnering with EPA, the Association of Clean Water Administrators (ACWA), and the Water Environment Federation (WEF) to offer a series of Integrated Planning (IP) workshops around the country to facilitate communication between utilities, state and EPA regulators. If you or your member communities are engaged in any extent in the development of an Integrated Plan, please consider attending an IP workshop in your Region. Smaller utilities are strongly encouraged to add their voice to these discussions.

On March 12 more than 70 key stakeholders, including NACWA members, EPA staff, and state regulators, met for the Region 7 workshop in Olathe, Kansas. During the workshop, EPA explained that its IP framework was above all about providing communities with greater flexibility in planning their clean water investments, and that the Agency's role in the process was to assist the state regulators however possible to get plans off the ground. There was in-depth discussion on how to document stressors outside Clean Water Act obligations in the plan (e.g., Safe Drinking Water Act and Clean Air Act obligations, among others); the pros and cons of using a permit versus an enforcement mechanism to house the plan; and possible implications of the upcoming stormwater rule on plan development.

Upcoming workshops are being held in Region 10, hosted in conjunction with the Oregon Association of Clean Water Agencies (ORACWA) in Portland, Ore., on April 3, and Region 5 in Indianapolis, Ind., on May 1. NACWA encourages those utilities in Region 5 that are interested in pursuing integrated plans to attend and register on NACWA's [website](#). A Region 8 workshop is being considered for June.

Court Grants NACWA Intervention in Chesapeake Bay Water Quality Trading Case

A federal court on Feb. 1 [granted](#) NACWA's request to intervene as of right in litigation challenging the validity of water quality trading programs under the Clean Water Act, clearing the way for the Association to aggressively represent municipal clean water utilities in the case and defend trading programs. The court order in *Food and Water Watch, et al. v. EPA* found that NACWA and its municipal partners have a clear legal interest in the

litigation, noting that the “threatened loss of economic benefit of...trading constitutes a concrete and imminent injury” which warrants intervention. As a result of this ruling, NACWA will be able to participate as a party in the case and help EPA defend water quality trading programs. The developments in the Bay are especially important as other parts of the country consider trading programs. If your members are involved in water quality trading programs or are aware of programs in development, please contact Hannah Mellman at hmellman@nacwa.org. NACWA continues to be involved on behalf of utilities on this issue and believes trading is a useful mechanism to achieve water quality goals.

NACWA Seeks Input on Using Build America Bond Program, Weighs in on Tax Exempt Status of Municipal Bonds

Sequestration spending cuts are directly impacting utilities’ budgets due to a decrease in the level of federal assistance that was originally promised under the Build America Bond Program. Direct Payment Build America Bonds (DPBABs), one of two types of bonds offered under the program, provide a federal subsidy of 35 percent of the interest paid on the bonds. The bond issuer, for example a clean water utility, is the recipient of the subsidy through direct payment. The BAB interest subsidy helped to make such financing more cost-effective than traditional tax-exempt revenue bonds. However, with sequestration in place, the federal subsidy payments have now been reduced.

Also as a result of the current budget environment, there is increasing talk about scaling back or eliminating tax exempt municipal bond status. NACWA is part of a broad and impressive coalition of groups seeking to ensure that Congress and the Administration do not look to tax exempt municipal bond status to generate revenue. This Coalition sent a strongly worded [March 8 letter](#) to the leaders of the Congressional Budget Committees expressing the critical importance of tax exempt municipal bonds to enhance infrastructure, create jobs and spur economic growth. As the letter states, “it is estimated that if the proposal to cap the exemption on municipal bonds at 28 percent had been in place over the last 10 years it would have cost state and local governments an additional \$173 billion in interest costs. Total repeal of the exemption over that time would have cost state and local governments over \$495 billion in additional interest costs.” NACWA is interested in hearing from any utilities of impacts from sequestration to their use of Direct Payment BABs, as well as those whose projects would be particularly affected by the reduction of tax exemption on bonds in general. Any information you can provide regarding the impact for your utility would be helpful. Please contact Chris Hornback at chornback@nacwa.org.

EPA Declines Appeal of Stormwater Flow TMDL Ruling

EPA [announced](#) March 1 that it would not appeal a January federal court ruling striking down the regulation of stormwater flow in an EPA-developed total maximum daily load (TMDL), preserving a key legal victory for the municipal stormwater community. The Agency’s decision not to challenge the ruling in *Virginia DOT. et al. v. EPA* means that stormwater utilities will continue to have a very strong legal precedent to push back against any future federal TMDLs attempting to regulate stormwater flow. NACWA has been a leading advocate against the use of flow-based TMDLs, and submitted a [brief](#) in the Virginia litigation.

The Virginia legal ruling, however, does not impact the ability of individual states to use flow TMDLs. It is likely that this ongoing battle will simply shift to the state level where similar stormwater TMDLs will be developed under state authority. If your members are hearing of these types TMDLs in conversations with local regulators or even seeing them seeing in their permits, NACWA would be interested in discussing the implications. Please contact NACWA's General Counsel Nathan Gardner-Andrews at NGardner-Andrews@nacwa.org.

NACWA/WEF/WERF Release Water Resources Utility of the Future. . . Blueprint for Action

The In early February, NACWA, the Water Environment Research Foundation (WERF), and the Water Environment Federation (WEF) jointly released a pioneering document that defines the evolving environmental, economic, and social roles that clean water utilities are playing in their communities. As outlined in [Water Resources Utility of the Future . . . Blueprint for Action](#), this new water resources utility of the future (UOTF) will transform the way traditional wastewater utilities view themselves and manage their operations. The document explores how traditional publicly owned treatment works have mastered their core wastewater treatment function and are now redefining themselves as resource recovery agencies and vital community enterprises.

The Blueprint opens the door to re-imagining the Clean Water Act in the wake of unprecedented progress and evolution over the 40 years since the Act's passage. Please consider distributing the Blueprint as broadly as possible, including your local utility managers, private sector interests, state and local governments, and technology providers. For more information on the report, please contact NACWA's Managing Director, Government & Public Affairs, Adam Krantz at akrantz@nacwa.org.

NACWA Supports Spokane River Communities - Urges EPA to Limit Inadvertently Generated PCBs

NACWA expressed concern in a [letter](#) to EPA's Office of Pollution Prevention & Toxics that encouraged EPA to revise its implementing regulations for the 1979 Toxics Substance Control Act (TSCA) to decrease allowances for inadvertently generated PCBs in products. The Association and its members believe controlling the source of PCBs flowing into a clean water facility is the best way to prevent them from entering our waterways. TSCA should be revised to eliminate inadvertently generated PCBs in the environment that make their way into waterbodies and negatively impact water quality.

In the Pacific Northwest, the state regulators, the National Pollution Discharge Elimination System (NPDES) permittees, the tribes, and local conservation groups have formed the Spokane River Regional Toxics Task Force (SRRTTF) to address water quality concerns related to toxics in the river. SRRTTF, and the Environmental Council of the States (ECOS), have also expressed an interest in seeing TSCA changed. NACWA supports SRRTTF and ECOS in their efforts to see that the EPA further limits the concentration of inadvertently generated PCBs allowed in products. The more individual examples showing how PCB reform would benefit utilities, informs the national discussion on TSCA reform; thus we encourage communities engaged in PCB issues in their region to contact NACWA.

NACWA CONFERENCES

NACWA's National Environmental Policy Forum

What is going on in Washington affects local clean water utilities like you. NACWA's [National Environmental Policy Forum](#), April 21 – 24 in Washington, DC, is the ideal setting to access the latest legislative, regulatory, and legal developments and meet federal policy makers in the Nation's capital. With over 100 new members of Congress, and many new staff at the top levels of key federal agencies, now is the time to come to Washington, make sure your voice is heard, and build lasting relationship with your Congressional delegation. Contact Brenna Mannion at bmannon@nacwa.org if you would like to join us for the State and Regional Luncheon on Monday, where key regional clean water groups will discuss priority issues that are impacting their members. We invite you to make your plans today to join us in Washington. An agenda, registration and additional information are on the [website](#).

National Pretreatment & Pollution Prevention Workshop

For over two decades, pretreatment professionals from across the country have benefited from the utility-focused speakers and panels – and the unique networking opportunities NACWA's [National Pretreatment & Pollution Prevention Workshop](#) offers. Pretreatment professionals from clean water agencies across the country should not miss this conference – designed especially for them!

This year's Workshop, May 15-18 in Portland, Ore., will focus on the important role that pretreatment and pollution prevention programs play in utilities. Significantly, key program staff from EPA will be on hand to engage and update participants on the National Pretreatment Program. Make your plans for your key pretreatment staff to attend today by reserving a room at the DoubleTree by Hilton Portland before April 23.