

National Drinking Water Advisory Council

Minutes and Recommendations

THURSDAY, MAY 17, 2001

I. Implementing New Regulations: Review State Capacity Analysis - Mr. Larry Wright/Ms. Elizabeth Corr/Ms. Vicki Ray

- Ms. Elizabeth Corr discussed the work plan. The basis for the understanding is the impending wave of new rules and programs to protect public health under the 1996 SDWA Amendments. States are already playing and will continue to play a critical role in turning these amendments into reality. With that opportunity comes a big workload and the states and EPA must work together to make the best use of available resources and figure out solutions to barriers within the program.
- The GAO report of August, 2000, spurred a lot of interest in the program. EPA feels that although the report raises some interesting points, it may oversimplify the situation, and a comprehensive look is necessary at this time. In addition, the recently released WIN report is currently being discussed in Congress. This report includes a recommendation to phase out the drinking water SRF and replace it with a Grants program.
- At the national level, EPA wants to identify program shortfalls. At the state-specific level, they are looking for a problem-solving tool that individual states and regions could use to work together.
- The scope of the work plan is broad. EPA wants to look at workload, available funding resources, barriers to implementation, and program and resource solutions for the federal and state levels.
- EPA hopes to get data from all 50 states, the Pacific Islands, the Virgin Islands, and the Commonwealth of Puerto Rico. The analysis would not include tribes.
- EPA has a five-part approach to accomplishing goals:
 - designing the data collection instrument;
 - analyzing data;
 - identifying solutions;
 - determining who will do what; and
 - target opportunities for action at the federal and state levels.
- Progress to date includes establishing a work plan, setting up a work group, conducting work group meetings, and utilizing a subgroup to develop a data collection model.
- The next steps include sending a model out to pilot states, having a conference call with the work group, sending the data collection model out to all the states, getting the data back, and working together in the work group to draft a report. The goal is to have something available for the October ASDWA annual conference, and eventually to release a final report.
- Mr. Larry Wright discussed the model EPA used to come up with the projection of future needs and the projected funding to meet those needs over the next ten years for the drinking water program.
- The model used was based on a 1999 model developed by ASDWA and EPA. The model will be sent to each state for evaluation of their specific program requirements, as opposed to relying strictly on default values. The 1999 model had been updated then to include the new requirements of the SDWA Amendments. In addition, another category: "Other State Programs", looks at not only rules, specific requirements, but things such as lab certification and cross-connection control. The time frame has been extended to cover 2001 to 2010.
- The default values present in the model are intended for the states to use as benchmarks to determine if they are applicable, or if in their particular instance, those default values need to be changed. This should allow the composite national needs estimate to be more accurate than previous models that have relied on more general information. In addition, the default values are being broken into five state categories, versus three in the previous model.

- In addition, a format was established for barriers and innovative solutions in the model. The state can rate the barriers and this will allow for a national picture of the most significant barriers in terms of implementation of the drinking water program.
- Mr. Wright conducted a detailed review of the highlights of the model.
- Ms. Vicki Ray discussed a template developed to present information in state program capacity and barriers. The model will be run and then the blanks of the analysis template will be filled in. There are five categories:
 - identify the current capacity of the states;
 - estimate future state program needs;
 - identify the state-specific barriers to implementation;
 - identify possible solutions to these barriers; and
 - provide solutions to these problems.
- Ms. Ray conducted a detailed review of the template.

II. Council Discussion

- EPA requested input from NDWAC members on the following discussion topics:
 - How does EPA ensure the maximum level of state participation? EPA plans to ensure receipt of the completed state models and agree to a return date; do reminders; assess the non-responders; and target phone calls. One member suggested use of local environmental groups to help ensure that the states complete the model. Dr. Yohe suggested a note from EPA to the supervising official above the person actually conducting the model work for the state would help to ensure that the work is done. Another member suggested provision of a tutoring group to help those that need it. Dr. Spath noted that there are some states that may not want to fill out the model because it will bring to unfavorable notice the current administration's environmental policies. Numbers also will be regarded as estimates and not written in stone. Dr. McMullen noted that many surveys are received and not completed; possibly use a cash or training credits or some other incentive to encourage returns.

Who, in addition to those identified by EPA, are additional audiences for the report? EPA listed key audiences to include: federal and state regulators, state/EPA senior management, federal and state elected officers, governors and legislators, industry associations, regulated industry and GAO. Several members stressed that the public needs to be included.

- *What is the incentive for the public and others to support this initiative?*
- *What level of sign-off on the report is needed?*

What format should the report be in? One member suggested that the report should be tailored to the audience and a short executive summary in plain English should be provided (Note: the recommendation for an executive summary was seconded).

Note: in order to keep on schedule, EPA will accept comments from NDWAC members at a later time.

III. Infrastructure Gap Subcommittee: Review of Infrastructure Issues and Plan for Subcommittee - Dr. David Spath and Mr. Joshua Joseph

- Mr. Joshua Joseph discussed infrastructure and included the following points:
 - Drinking water in the U.S. is among the best in the world. At the same time, there is widespread consensus that infrastructure is a concern.

- The 1999 Drinking Water Infrastructure Needs Survey estimated that there are about \$150.9 billion in needs over the next 20 years, and this estimate is conservative (the largest part of that need, ~56%, is transmission and distribution).
- If looked at in terms of size: large, medium and small systems, the average 20-year need per household will involve a larger amount of investment for the small systems.
- In examining the infrastructure challenge, both Clean and Safe Water infrastructure, EPA is considering the capacity of water systems to meet expanding public health and financial demands. What will be needed to maintain the progress that has been gained over the last number of years in providing safe and affordable water to the nation? How will this then influence our policy agenda?
- One report, "Recommendations for Clean and Safe Water in the 21st Century," produced by the Water Infrastructure Network, suggested that about \$23 billion per year over the next 20 years must be invested to address the public health priorities of the CWA and the SDWA. Another report, "Water Infrastructure Now," recommended a series of public and private actions were needed to meet the coming infrastructure funding challenges. These reports have done a lot to increase national dialogue on this issue, as has the Help to Optimize Water Coalition.
- Re-examination of the role of federal assistance involves looking at 1) affordability; 2) what are the needs that go beyond the Drinking Water Needs Survey; 3) what is happening at the systems level; 4) what are some of the root causes of the issue; 5) what are some of the barriers to improvement; 6) how to ensure that the drinking water utilities can meet compliance requirements; 7) effects on systems' growth and ecological sustainability; 8) how can PWSs access new planning and management tools; 9) what partnerships can be achieved; and 10) how can stakeholder involvement be maximized?
- EPA will gather additional information of the numbers and magnitude of the infrastructure problem; next fall, NDWAC may establish a subgroup to look at findings and provide recommendations toward a policy agenda.

IV. Council Discussion

- EPA has done some analysis of cost, affordability, and what is being spent on infrastructure for water and wastewater. EPA wants to gather greater detail on the drinking water side over the next several months. One member commented that the \$150.9 billion figure was low as it did not account for variability within the Regions.

V. AWWA Accreditation Policy Program - Ms. Eva Nieminski

- AWWA is hoping accreditation will result in a status of a seal of approval that is different from just compliance with existing regulations. Accreditation should result in demonstrating that accredited utilities do implement the best standards of the best management operations and provide the highest quality of drinking water for the customers.
- Accreditation will be voluntary: it is up to participating utilities to seek accreditation or not. However, with the incentives in place, it is expected that the program will reach all system sizes.
- AWWA is hoping that this will be something that will result in measurable difference in water quality and effectiveness of management. The project is outcome oriented. It is not a replacement of future regulations. An accredited facility would lose accreditation if it failed to comply with regulations.
- For primacy agencies, a program like this would allow a state to decide which utilities pose the highest challenges and where to focus efforts.
- Dealing with consumer confidence and improving the image of tap water is another area that accreditation can help with.
- Pathogens and disease outbreak occurrences happened when facilities were in full compliance. Accreditation will provide a tighter goal above and beyond compliance to address this issue as well.

- The policy and procedures are being developed right now by a consultant hired by AWWA. The consultant has stressed that people must see the financial benefits in the outcome of this program. Another consultant is looking at the way interest rates on loans to water utilities for plant expansions or modifications can be lowered if it is accredited. In addition, liability insurance rates are being examined in this light as well. A priority list could be developed for the SRF.
- The AWWA would like feedback on the standards lists for different sizes and types of utilities. AWWA is looking first at the distribution and source water protection standards because there is opportunity for partnership with EPA here. As soon as these standards are ready to be piloted, the AWWA will go into additional areas.
- AWWA also designed a program called QualServe that offers utilities a step-by-step approach into water quality improvement. Accreditation can use this and other tools but QualServe will not be used as a prerequisite to accreditation.
- Once concerns have been identified, an action panel has been established to address these concerns, a stakeholder process will be engaged in to help build the program.
- A budget has been approved by the board and an active committee is working. Outside consultants have been hired. The distribution system manual has been given to a standards committee, which will provide a list of standards for the utilities to go through and a list of questions for the accreditors to ask.

VI. Council Discussion

- The Council members discussed the notion of keeping the momentum going. Financial incentives such as those discussed above might be difficult for a utility that is part of a city and would need to be part of a larger group to be accredited. This might lose a good portion of the utilities in a state. One member suggested partnership with the National League of Cities might benefit attempts to connect with the right people within cities. Dealing with small-town governments can be just as challenging.
- Costs would be in proportion to the system size. There are still questions remaining on how to maintain accreditation. A comparison to universities has been initiated.
- Concerns related to accrediting the entity and not the individual were raised. There may be some redundancies.
- One member questioned the perceived benefits of less state oversight and those utilities already with low interest rates as not providing much incentive in some cases.

VII. Council Recommendations

The Council made two formal recommendations which are listed below:

1. Resolution on Clean Water Act/Safe Drinking Water Act Coordination

The quality of water in the United States is not only important to the health of our environment but it is the vital, common link to our nation's public health. Ensuring clean, sufficient and reliable sources of water for public and environmental health is a principal goal and responsibility of the U.S. Environmental Protection Agency (EPA).

For more than 25 years, EPA has independently administered the provisions of the Clean Water Act and Safe Drinking Water Act. Separate administration of these programs has led to conflicting, confusing and duplicative requirements. The inefficiencies and frustration of separate administration are shared by all stakeholders.

The National Drinking Water Advisory Council (NDWAC) commends the efforts by all participants to coordinate programs, however the NDWAC also recognizes that coordination of these programs requires support and direction from the Administrator. Therefore, the NDWAC recommends that the Administrator develop an integrated and coordinated application of the

Clean Water Act and Safe Drinking Water Act programs to effectively and efficiently use all the tools within the agency to achieve the goal of clean, sufficient, and reliable water for all public and environmental health needs of the United States.

2. Recommendation on Benefits Analyses

The National Drinking Water Advisory Committee recommends that the Environmental Protection Agency review the report of the former NDWAC Benefits Working Group to: 1) determine if the agency's actions to develop the January, 2001, Arsenic rule were consistent with the NDWAC recommendations; and 2) consider the NDWAC recommendations on benefits analyses while reconsidering the Arsenic Rule in 2001.

VIII. Next Meeting/Announcements

- November 7-9, 2001, Washington, D.C. Fall Meeting
- August 22 and 30, 2001 Conference Call (on Arsenic Cost Review)
- Drinking Water Symposium sponsored by EPA, NAWC, and NARUC will be held in St. Petersburg, Florida on September 12 through 14, 2001.

IX. Update on EPA Regulatory Actions - Mr. Ephraim King

- Unfinished business includes:
- Arsenic Rule;
- Final Long-Term 1 Enhanced Surface Treatment Water Rule;
- Final Radon Rule;
- Final Ground Water Rule;
- Long-Term 2 Enhanced Surface Water Treatment Rule; and
- Stage 2 Microbial and Disinfection By-Product Rule.
- National Academy of Science Report on Contaminant Candidate List: A regulatory determination will be made late summer or early fall on whether or not to regulate for nine chemicals on which information is adequate.
- Six-year Review: EPA will be offering a preliminary sense of where they think things are headed in late fall of 2001 or early spring of 2002.
- Radon: EPA will brief the new administration in June.

Note: The meeting concluded at 1:51 p.m.