

**TESTIMONY FOR THE RECORD
U.S. ENVIRONMENTAL PROTECTION AGENCY
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
UNITED STATES HOUSE OF REPRESENTATIVES**

JULY 24, 2014

Chairman Gibbs, Ranking Member Bishop, and members of the Subcommittee, thank you for the opportunity to provide testimony for today's hearing record regarding the U.S. Environmental Protection Agency's efforts to achieve better water quality improvements through integrated municipal stormwater and wastewater planning (Integrated Planning) and other innovative approaches for meeting our infrastructure challenges. The EPA is grateful for the continued interest of the Subcommittee and of communities across the country in our efforts to promote Integrated Planning for meeting Clean Water Act obligations.

The nation has come a long way in improving water quality, public health and the environment since Congress enacted the Clean Water Act over 40 years ago. We have improved water quality and increased public health protection in streams, lakes, bays, and other waters nationwide. However, significant water pollution challenges remain. We still face difficult and expensive challenges in providing advanced treatment for nutrients and controlling combined sewer overflows, sanitary sewer overflows, and stormwater pollution.

Increases in impervious surfaces, aging infrastructure, climate change, and the current economic challenges are stressing existing infrastructure and programs needed to fully attain Clean Water Act goals. Many of our state and local government partners find themselves facing difficult financial conditions. We recognize the challenging financial conditions that many municipalities are facing, and the EPA continues to work with states and local governments to develop and implement new approaches

that will achieve water quality and human health goals more cost effectively and sustain our nation's essential water infrastructure to create jobs and strengthen the economy.

As you know, the EPA, states, and municipalities have often focused on each Clean Water Act requirement individually, without full consideration of all Clean Water Act requirements or how various water quality investments can be coordinated and managed as a consolidated effort. This uncoordinated approach may have had the unintended consequence of constraining a municipality from addressing its most serious water quality issues first. Integrated Planning offers municipalities an opportunity to meet Clean Water Act requirements in a way that allows the highest priority wastewater and stormwater projects to come first, and the EPA encourages incorporating sustainable solutions, such as green infrastructure, into these efforts. The EPA's October 2011 memorandum, "Achieving Water Quality Through Integrated Municipal Stormwater and Wastewater Plans," further explains the EPA's Integrated Planning framework and the EPA's goals in working with communities toward these ends.¹

Over the past several years, the EPA has embraced the Integrated Planning approaches described in the 2011 memorandum. The agency's active pursuit of Integrated Planning has been most visible in the enforcement realm where numerous settlements have either specifically included language incorporating Integrated Planning, or otherwise incorporating the concepts in a consent decree. For example, in settlements with King County and Seattle, Washington, where the EPA and the communities are working to resolve wastewater issues, our agreements included specific provisions for developing an integrated plan that would also include stormwater considerations. In other cases, such as recent amendments to a consent decree with the Sewerage and Water Board of New Orleans, Louisiana, Integrated Planning is not called out by name, but adjustments to the decree were made to account for

¹ A copy of the EPA's October 2011 memorandum is available at <http://water.epa.gov/infrastructure/greeninfrastructure/upload/memointegratedmunicipalplans.pdf>.

the multiple activities that needed to be prioritized in concert with the ongoing recovery from Hurricane Katrina. Integrated Planning elements are now part of at least 10 consent decrees in settled cases.

A number of cities across the country have approached the agency about pursuing Integrated Planning in the enforcement context to address their wastewater obligations. These cities are enthusiastic about the opportunities to take a more holistic approach.

The Integrated Planning approach can also serve as a catalyst for an evolving National Pollutant Discharge Elimination System permit program. While the Integrated Planning approach is voluntary, a number of municipalities have developed or are developing integrated plans that will ultimately support the development of conditions and requirements in their NPDES permits. NPDES permits can have an important role in Integrated Planning by setting implementation schedules that are consistent with the permittee's financial capability, allowing for adaptive management, encouraging the use of sustainable green infrastructure, and assisting in implementing trading programs. These approaches could support more sustainable solutions that provide environmental improvement more quickly. In addition, the Integrated Planning approach can involve a transparent public input effort that can support adaptive management and lead to buy in and support from ratepayers, elected officials, and environmental groups.

The EPA is encouraged that a number of communities have expressed interest in developing an integrated plan that can assist the NPDES permitting authority in reissuing their permits. Four of these communities have already submitted an integrated plan to their NPDES permitting authority, and we welcome the efforts of additional communities to pursue such an approach.

The EPA recently solicited requests for Technical Assistance that would provide contractor support to communities working towards including Integrated Planning elements into their permits. The technical assistance will help the EPA develop practical examples of how to develop the various components of an integrated plan and will provide useful information to communities across the nation that are interested in Integrated Planning. We are presently reviewing the pool of applicants with the aim of awarding assistance to five communities this fall.

Building on the success of the Integrated Planning Framework, the EPA has been in discussions with stakeholder groups such as the U.S. Conference of Mayors, the National League of Cities, the National Association of Counties, the Water Environment Federation, and the National Association of Clean Water Agencies concerning the financial challenges that communities face as they pursue the goals of the Clean Water Act. These financial challenges are a constant concern for both the EPA and the regulated community, and turning attention to these issues has been a natural outgrowth of our work on Integrated Planning. With the feedback of these groups; from the Environmental Financial Advisory Board, an independent EPA Federal Advisory Committee; and from other stakeholders, the EPA is moving towards issuing a Financial Capability Assessment Framework as a companion document to the Integrated Planning Framework. The FCA framework will clarify the EPA guidance – and the flexibilities therein – for developing compliance schedules that will ensure that the financial burdens on a utility and its customers are fully and consistently considered.

It is also important to emphasize the contributions that the 51 Clean Water State Revolving Fund programs can and do make to financing infrastructure planning at the local and regional levels. Integrated planning activities are typically eligible under the CWSRF. The recent enactment of the Water Resources Reform and Development Act amended the CWSRF program in ways that will clarify

additional avenues for communities when they make wastewater and stormwater investments – which will assist them in implementing integrated plans. For example, these amendments specifically authorize the CWSRF to finance measures to manage, reduce, and treat stormwater. Further, CWSRFs can now provide additional subsidies to encourage sustainable planning, design and construction of wastewater infrastructure.

The EPA, states and municipalities are using the flexibility in the Clean Water Act and existing regulations to apply the Integrated Planning approach to find efficient pathways to successfully improve water quality. The EPA believes that the Clean Water Act currently provides an appropriate framework for implementing integrated approaches, and that amendments to the Act addressing Integrated Planning are not necessary. As we move forward with the Integrated Planning approach, we look forward to working with this Subcommittee, our state colleagues, municipalities, and the many other partners, stakeholders, and citizens to implement it. We are committed to improvements in wastewater and stormwater management and moving toward full attainment of water quality and human health goals.