



**United States
Environmental Protection Agency
Fiscal Year 2026**

**Justification of Appropriation
Estimates for the
Committee on Appropriations**

Tab 12: Annual Evaluation Plan

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**Environmental Protection Agency
FY 2026 Annual Performance Plan and Congressional Justification**

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EPA FY 2026 Annual Evaluation Plan

The Environmental Protection Agency's (EPA) ability to protect human health and the environment depends on its use of high-quality evidence to support the development of its policies, decisions, guidance, and regulations. Consistent with the Foundations for Evidence-Based Policymaking Act of 2018 (Evidence Act), EPA works to promote a culture of using evidence to inform decision making and support continuous improvement in day-to-day operations. EPA programs conduct evaluations of their implementation and outcomes to monitor effectiveness and efficiency, to ensure good stewardship of American tax dollars.

In line with Evidence Act requirements, the Agency publishes an Annual Evaluation Plan that highlights its planned investment in, and intended use of, evaluation activities. EPA's FY 2026 plan presents an evaluation project that will deliver actionable results to improve program effectiveness.

Project Title	Drinking Water Systems out of Compliance with Health-Based Standards		
Lead Office	Office of Water		
Start Date	FY 2022	Completion Date	FY 2026
Alignment with EPA 5 Pillars	Pillar 1: Clean Air, Land, and Water for Every American. Pillar 3: Cooperative Federalism		

Purpose and brief description: EPA's Office of Water and Office of Enforcement and Compliance Assurance (OECA) are collaboratively focusing on assessing methods to effectively improve public water system compliance. This initiative aims to address five key questions between FY 2022 and FY 2026. The Drinking Water Learning Agenda (DWLA) is designed to evaluate whether key technical, managerial and financial assistance (TMF) and oversight program activities are achieving their intended goal of improving drinking water compliance with health-based standards.

The DWLA assesses drinking water data reported to EPA to determine whether it accurately measures national compliance and substantiates EPA policy decisions. Specifically, it considers noncompliance root causes, identifies the corresponding technical/managerial/financial factors, evaluates the efficacy of technical assistance, and state oversight. Upon completion, these assessments will identify key water system characteristics that should be the focus of EPA and state policies including the most effective ways to apply compliance assurance tools. As noted below, work to address two of the questions is complete. During FY 2026, work will focus on the last three questions.

Programmatic or policy decisions this activity will inform: Compliance assurance and TMF assistance tools, along with oversight programs, that effectively increase drinking water compliance rates to ensure clean and safe drinking water. This work is essential to achieving the Administrator's priority pillar of ensuring clean water for every American.

Questions to be addressed in FY 2026:

1. Efficacy of Technical Assistance in the Drinking Water Program: Does technical assistance improve or maintain system compliance, and if so, under what circumstances?
2. Technical, Managerial, and Financial (TMF) Sufficiency Metrics: How can EPA determine if a system has the TMF capacity to provide safe water on a continuous basis to its customers?
3. Efficacy of Oversight in the Drinking Water Program: What EPA oversight approaches are effective at assessing and improving state programs' ability to improve compliance with the health-based standards?

Analyses for two other questions on the DWLA have recently been completed. Those questions are:

- **Data Availability and Reliability:** To what extent does EPA have ready access to data to measure drinking water compliance reliably and accurately?
- **Root Cause of Noncompliance in Public Water Systems:** What factors determine system noncompliance and continuous compliance?

Methodological and analytical approach:

Data collection methods: EPA anticipates using several different tools for the evaluation of the remaining three questions including survey instruments, audit reviews, data mining, use of existing data and statistical methods such as regression analyses.

Data sets: The Agency anticipates needing to pull from various data sources such as federal databases at EPA (SDWIS and ECHO, for instance), Department of Commerce Census Bureau, USDA Rural Utilities Service (RUS) loan program data, information gleaned from the State Revolving Fund work, EPA oversight reports (PWSS Annual Program Reviews, Capacity Development Annual Review, etc.), and technical assistance activities. SDWIS, Census, and RUS are existing databases. EPA will explore the possibility of combining existing datasets or creating one using existing reports and records.

Analytic approaches: EPA will use a variety of tools which may include prospective and retrospective analyses; data sorting and trend analysis with statistical overlays; and stakeholder perspectives and findings. Agency expert consultation may identify other analytical methods to be used. The Agency will use the Water Infrastructure and Capacity Assessment Tool (Water ICAT) for utility-scale analyses. Water ICAT incorporates publicly available data from a variety of sources into a single, user-friendly screening tool. Data available within Water ICAT span four primary categories including general utility characteristics, demographic and economic characteristics, enforcement and compliance characteristics, and finally water infrastructure funding history. These data are aggregated at the utility scale.

Anticipated challenges and proposed solutions: Data availability may slow and/or limit progress on analytical activities that need to be carried out to conduct planned evaluations and other empirical studies. State participation and/or state information or consultation may be helpful to plan and execute work and to interpret findings, and although states have provided support for the DWLA in the past, it is anticipated that they will not have capacity to continue providing input.

Dissemination of findings: Final evaluation reports and other empirical analyses for this learning priority area will likely be of most value to internal stakeholders, but EPA will decide on a case-by-case basis if individual analysis summaries will be posted at www.epa.gov/evaluate.