

Resolution Supporting Full Access by Investor-Owned Utilities to the Clean Water State Revolving Fund

WHEREAS, With the passage of the 1987 amendments to the Federal Water Pollution Control Act (commonly referred to as the “Clean Water Act” or “CWA”), the U.S. Congress replaced the long-standing federal Construction Grants program with the Clean Water State Revolving Fund (CWSRF) program. The CWSRF program is available to fund a wide variety of water quality projects including all types of non-point source, watershed protection or restoration, and estuary management projects, as well as more traditional municipal wastewater treatment projects; *and*

WHEREAS, Since its inception the CWSRF Program has provided \$68 billion to water pollution control projects; *and*

WHEREAS, The CWSRF is widely viewed as a successful partnership between federal and State governments in addressing important environmental problems; *and*

WHEREAS, The Safe Drinking Water Act, as amended in 1996, established the Drinking Water State Revolving Fund (DWSRF) to make funds available to all drinking water systems, regardless of ownership, to finance infrastructure improvements. The program emphasizes providing funds to small and disadvantaged communities and to programs that encourage pollution prevention as a tool for ensuring safe drinking water; *and*

WHEREAS, Under the Safe Drinking Water Act, investor-owned utilities are eligible for DWSRF loans, but under the Federal Water Pollution Control Act, investor owned utilities are **not** eligible for CWSRF loans; *and*

WHEREAS, The 2004 U.S. Environmental Protection Agency Clean Water Needs Survey estimated that nationwide capital investment needs for wastewater pollution control is \$202.5 billion; *and*

WHEREAS, The installation and refurbishment of wastewater treatment and collection systems, combined sewer overflow corrections, stormwater management and the extension of wastewater service to small communities, demands significant financial investment; *and*

WHEREAS, On May 14, 2009, the Senate Environment and Public Works Committee passed S. 1005, the Water Infrastructure Financing Act, which would make investor owned utilities completely eligible for all CWSRF assistance; *and*

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC) previously has resolved, by resolutions dated February 28, 1996, and February 15, 2006, that funding to promote compliance with drinking water and wastewater standards should be provided through the SRF loan programs to all water and wastewater systems regardless of ownership; *and*

WHEREAS, NARUC seeks to make available reasonable and affordable alternatives for water and wastewater infrastructure improvements; *and*

WHEREAS, The availability and use of SRF low interest loans promotes effective and viable water and wastewater systems and therefore, any unreasonable barriers to their full utilization should be removed; *and*

WHEREAS, A fundamental principal of economic regulation as practiced by NARUC members is to ensure that the economic benefit of public assistance and SRF savings are passed on to the ratepayers of regulated investor-owned utilities; *now, therefore be it*

WHEREAS, It is imperative that the benefits of clean water be available to all consumers regardless of whether supplied by government or private sector providers and that investor-owned utilities not be discriminated against; *now, therefore be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2009 Summer Committee Meetings in Seattle, Washington, encourages and supports federal legislation that would allow investor owned utilities full access to the CWSRF; *and be it further*

RESOLVED, That NARUC supports and encourages the passage into law of such legislation as S.1005, the Water Infrastructure Financing Act, as passed by the U.S. Senate Committee on Environment and Public Works on May 14, 2009.

Sponsored by the Committee on Water

Adopted by the NARUC Board of Directors July 22, 2009