



February 13, 2020

Hon. Lisa Murkowski
Chairman
Senate Committee on Energy and Natural Resources
522 Hart Senate Office Building
Washington, D.C. 20510

Hon. Joe Manchin
Ranking Member
Senate Committee on Energy and Natural Resources
306 Hart Senate Office Building
Washington, D.C. 20510

RE: Support for S. 1932, “Drought Resiliency and Water Supply Infrastructure Act”

Dear Hon. Murkowski and Hon. Manchin,

The Western Urban Water Coalition (WUWC or Coalition) appreciates this opportunity to express its strong support for S. 1932, the Drought Resiliency and Water Supply Infrastructure Act. Throughout the west, significant investment in water supply infrastructure is needed to provide drought resilience and reliable water supply in the face of growing populations, aging water systems, and changes in the amount and type of precipitation due to climate change. This bipartisan bill aims to improve the nation’s water supply and drought resiliency and prevent severe water shortages. We urge Congress to act expeditiously to enact legislation to promote water supply infrastructure and improve and protect our nation’s water supplies.

Established in 1992 to address the West’s unique water supply and water quality challenges, WUWC consists of the largest urban water utilities in the West, serving more than 40 million western water consumers in major metropolitan areas in seven western states. WUWC includes the following urban water utilities:

- *Arizona* – Central Arizona Project, City of Phoenix and Salt River Project;
- *California* – Eastern Municipal Water District, Los Angeles Department of Water and Power, The Metropolitan Water District of Southern California, San Diego County Water Authority, Santa Clara Valley Water District and City and County of San Francisco Public Utilities Commission;
- *Colorado* – Aurora Water, Colorado Springs Utilities, and Denver Water;

- *Nevada* – Las Vegas Valley Water District, Southern Nevada Water Authority, and Truckee Meadows Water Authority;
- *New Mexico* –Albuquerque Bernalillo County Water Utility Authority;
- *Utah* – Salt Lake City Public Utilities, and
- *Washington* – Seattle Public Utilities.

The WUWC is committed to presenting new and different perspectives on the management of water resources in the modern West. The WUWC articulates the needs and values of Western cities to provide a reliable, high quality, sustainable urban water supply for present and future generations. As operators of public water supply systems, WUWC members serve the health, environmental, and economic needs of their communities around the clock and every day of the year. WUWC advocates for effective and practicable approaches to water supply infrastructure programs at a time when water is becoming more scarce and critical to the economic growth, natural resource sustainability, and quality-of-life in the Western states. The WUWC is in strong support of federal legislation to improve the sustainability and resilience of the infrastructure and economy of the West.

It is particularly important to put federal legislation into effect immediately, without delay, that provides the federal funding and financing tools that have long been a critical component of water development in the west and continues to be essential to meet the water resources challenges faced by the members of our Coalition. In nearly every basin in the Western states, there is a need for new storage (both including surface and groundwater facilities), conveyance (canals, pipes, and distribution facilities), reuse and recycling plants, desalination projects and other facilities. The predictability and timeliness of such federal funding and financing tools are critical to unleashing local investments. The current process is a major improvement over the traditional Reclamation model which is cumbersome and unpredictable and should be continued to avoid delaying and discouraging needed projects.

Simply put, the traditional Reclamation model does not work well under the current budgetary environment, and given political realities and earmark restrictions that prevent authorizations that benefit one state or basin. Under this model, stakeholders must risk significant capital before going to Congress to authorize a study, carry out the study over multiple years and subject to appropriated funds, go back to Congress to authorize construction, and then compete for appropriations for 100% of the capital cost.

S. 1932 provides a fiscally realistic way for Reclamation to assist drought resiliency projects. The bill authorizes significant needed funding for water supply infrastructure, and maintains the improved structure developed in 2016 which allows Reclamation participation in certain non-federal storage projects (capped at 25% and proportionate to the federal benefit of the project) for the first time and improves the project approval by appropriating funds for storage, water recycling, and desalination upfront and approving funding for specific projects based on Reclamation's recommendations through the annual appropriations process. This grant-like approach mimics other successful federal infrastructure programs for transportation, energy and other sectors.

Importantly, the tools in S. 1932 continue to ensure that beneficiaries pay for these projects, but they also provide for federal resources to increase access and reduce the cost of capital for

essential water supply projects through grants to cover federal benefits of a project or low interest "RIFIA" loans which have proven successful under the existing WIFIA program.

Again, we truly believe that S. 1932 would significantly benefit the efforts of WUWC members and other water providers across the country by promoting an expeditious appropriations process. The approach taken in S. 1932 is an appropriate balance between Congressional oversight and confidence that projects will not be unnecessarily stalled or delayed. We stand ready to assist you in the passage of this important bill.

Thank you for the opportunity to provide this letter of support, and feel free to reach out to us if you would like more information as to how this legislation will benefit western water. If you have any questions regarding these comments, please contact me at 702-258-7166 or greg.walch@lvvwd.com, or the WUWC national counsel, Don Baur at 202-654-6234 or dbaur@perkinscoie.com.

Very truly yours,



Gregory J. Walch
Chairman

cc: Hon. Cory Gardner
Hon. Dianne Feinstein
Hon. Martha McSally
Hon. Kyrsten Sinema
Hon. Jacky Rosen
Donald C. Baur, Perkins Coie LLP