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Linking Member Associations with Important Federal Policies and Local Trends

Thursday, March 14, 2023

1:00 – 2:30 PM ET

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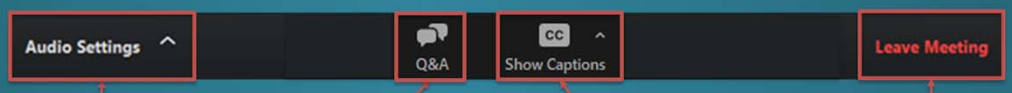
How to Participate Today



Submit your questions using the Questions pane.

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A recording will be available for replay shortly after this webcast.

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Today's Agenda

1. Introduction
2. Build America, Buy America Overview
   Leslie Corcelli (U.S. EPA)
3. Build America, Buy America from the State Perspective
   George Russell (Oklahoma Dept of Environmental Quality)
4. Federal Update
   Steve Dye (WEF)
5. Questions and Discussion

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NOTE: U.S. EPA slides are available as a separate PDF file

Build America, Buy America from the State Perspective

George Russell IV
PWS Group Manager
Oklahoma Department of Environmental Quality

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Overview

- Background
- Current usage
- Challenges
- Positives?
- Long term

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Background

- IIJA/BIL
  - BABA effective May 14, 2022
  - Applies to all federal financial assistance programs for infrastructure
- Similar requirements to AIS, just on a larger scale
  - Except only apply to equivalency projects for Base and BIL GS.
  - Applies to all LSL and EC projects
- Well intentioned but presents challenges

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Products impacted

- Drywall
- Glass
- Lumber
- PVC
- Other manufactured/non-ferrous products
- AIS covers Iron and Steel products

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Products excluded

- Scaffolding
- Trench boxes
- Flora
- Non-permanent items
- Gravel and cement

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How SRF works in Oklahoma

- DWSRF
  - Dept. of Environmental Quality
    - Apply/Awarded the grant
    - Manage project priority list
    - Create Intended Use Plan/Conduct public meeting
    - Technical aspects (permitting, project oversight, eligibility, CapDev, Environmental Reviews)
  - Oklahoma Water Resources Board (OWRB)
    - Banker for the funds
    - Loan approval
- CWSRF
  - OWRB handles most aspects except permitting

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Current Usage of BABA in Oklahoma

- Currently haven't done any projects with this requirement
- So far, all equivalency projects have qualified for a design and planning waiver
- FFY24 will use for equivalency projects unless the project qualifies for other waivers
  - Small project (less than $250,000)
    - Unlikely, except for LSL projects
  - De Minimus
  - Unreasonable Cost Waiver (Total project increase of 25% or more)
  - Nonavailability waiver

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Anticipated Challenges

- Cost
  - Unknown for a lot of items
  - Without global competition will prices be higher?
- Availability of materials
  - All infrastructure projects looking for the same materials
  - Likely supply chain disruptions
  - Electronics
- Educating suppliers, borrowers, contractors
  - We plan to conduct outreach events
- Exponentially more certifications

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Challenges continued…

- By only applying to equivalency projects, it impacts larger loans more
  - May require some incentives
  - More loan forgiveness
- Another checklist item for SRF projects
  - Another reason to search out other funding
- Growing pains
- Heavy administrative burden
- Could slow down projects
- Increased OIG oversight

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Positives?

- Bipartisan support for a reason
- Makes sense
- Net positive for industry
- Money may stay more local

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Positives continued…

- Revitalize manufacturing in the US
- Create jobs
- Waivers available

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Ideas vs. Implementation

- Ideas are easy
- Implementation/Change is hard
  - But worth it sometimes
- As a primacy agency we understand
- We get directives from EPA
- We give directives to water systems

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Long term impacts

- Available workforce?
  - Lack of engineers
- Automation in manufacturing?
- Could fill in gaps over time
- This will become the new normal

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Conclusion

- We will know more in a couple years about the outcome
- More money, more requirements, more work
- Unknowns outnumber the knowns
- AIS provides a template

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Thank you!

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Federal Update

WEF Government Affairs Department

Steve Dye
Sr. Director of Government Affairs
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Funded in Infrastructure Investment & Jobs Act (A.K.A. BIL)

Clean Water Guaranteed Funding: $12.7B

Clean Water State Revolving Fund (CW SRF)

- ✓ $1.9B in FY22
- ✓ $2.2B in FY23
- ✓ $2.4B in FY24
- $2.6B in FY25 & FY26

CW SRF Emerging Contaminants Grants (PFAS, Microplastics, 6PPD)

- $1B FY22 – FY26
  - ✓ $100M in FY22
  - ✓ $225M in FY23
  - ✓ $225M in FY24
  - $225M in FY25

Needs Annual Appropriations

Potential Additional Funding: $25B

CW SRF

- ✓ FY22 $1.6B (-$444M)
- ✓ FY23 $1.6B (-$863M)
- ✓ FY24 $1.6B (-788M)
- FY25 & FY26 $3.25

WIFIA

- ✓ FY22 $63M
- ✓ FY23 $68M
- ✓ FY24 $64M

Still Needs Initial Funding

- Resilience & Sustainability Grants
- Small POTW Grants
- Connecting to POTWs Grants
- Energy Efficiency Grants
- Stormwater Planning & Implementation Grants

- ✓ **$2M for Stormwater Centers of Excellence FY24**
- ✓ **$41M for Sewer Overflow Grants (OSG) FY24**
- ✓ **$5.4M for Water Workforce Development Grants**
- ✓ **$25.5M for Tech. Assist. To Wastewater Treatment**

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Other Legislation Update

Wastewater Infrastructure Pollution Prevention and Environmental Safety Act (WIPPES)
H.R. 2964 passed House Energy & Commerce Committee on Dec. 6, 2023
S. 1350 bipartisan bill pending in Senate

Water Systems PFAS Liability Protection Act, S. 1430

Water Advocates Calls-to-Action:

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Federal Regulatory Update

Safe Drinking Water Act
National Primary Drinking Water Regulation (NPDWR) to establish Maximum Contaminant Levels (MCLs) for six PFAS
- Docket ID: EPA-HQ-OW-2022-0114
- Rule finalized "any day now"

CERCLA (SuperFund)
Advanced Notice of Proposed Rulemaking on Potential Future Designations of Per- and Polyfluoroalkyl Substances (PFAS) as CERCLA Hazardous Substances
- Docket ID: EPA-HQ-OLEM-2022-0922

Clean Water Act
Draft Guidance for Future National Pollution Discharge Elimination System Permits for Combined Sewer Systems
- Docket ID: EPA-HQ-OW-2023-0475
- Public Comments due: March 21, 2024

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OST: POTW Influent Study

(starting late 2024/early 2025 going through 2026)

Survey
- Existing Data Collection via Questionnaire
- 400 largest/select POTWs

Sampling
- 10 Samples of IU effluent, domestic effluent, POTW influent, POTW effluent & biosolids
- 200-300 selected POTW

Public Submissions
- Website for public to submit data voluntarily

Findings Report
- Industrial Users
- Influent & Effluent numbers
- Biosolids

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National Water Policy Fly-In 2024

April 9, 2024
Washington, DC
www.waterweek.us

Join hundreds of water professionals from around the nation in Washington, DC, to advocate before Congress and the Biden Administration on the issues that are important to the water sector.

- Details posted on the Water Week website: **www.waterweek.us**
- Co-hosted by WEF, NACWA, WateReuse Association, and the Water Research Foundation

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Q&A Discussion

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