

The Infrastructure Investment And Jobs Act & WSSC Water

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## **ABOUT WSSC WATER**

WSSC Water is Maryland's largest water and wastewater utility. With approximately 1<u>1,000 miles</u> of water/sewer pipeline, WSSC Water serves <u>1.9 million</u> customers throughout a service area that spans nearly 1,000 square miles in Montgomery and Prince George's counties. WSSC Water is fully funded by ratepayers.







# - Marken States - Marken State

## TOTAL AMOUNT OF UNCOLLECTED REVENUE



## **ONE IN FIVE CUSTOMERS ARE PAST DUE**

90,000 are past due, a 90% increase from February 2020 to December 2021.

### FY20 & FY21 SHORTFALLS = \$130 MILLION

Implemented a \$150 million savings plan, and revenue loss in FY 2022 is projected to be over \$23 million.

## **BOND RATING FROM "STABLE" TO "NEGATIVE"**

While WSSC Water still retains a AAA bond rating, revenue shortfalls have led to stricter fiscal policies.

## NO STATE OR FEDERAL FUNDING TO OFFSET REVENUE LOSS

To date, WSSC Water has not received any CARES Act or ARPA funding for specific water bill assistance.

### **NEED TO FUND CRITICAL CAPITAL PROJECTS**

Investment is needed for: upgrading infrastructure – approximately 45–50% of pipes are 50+ years old, meeting increased regulatory burdens, and maintain facilities that are at or near end-of-life cycle.

## AMOUNT OF IIJA DOLLARS MARYLAND WILL RECEIVE TO IMPROVE WATER INFRASTRUCTURE





# **Potential Projects**

- Piscataway Bioenergy Program\*
- Sewer Repair, Replacement and Rehabilitation (SR3) Program\*^
- Little Seneca Restoration
- Upgrades to Facilities due to Increased Climate Resiliency Challenges
- **Regional Water Supply Projects**
- Septic System Underserved Populations
- Cybersecurity Enhancements
- Solar Panels
- Piscataway Bioenergy Program Energy Efficiency/Clean Energy
- Lead Pipe Replacement? WSSC Water does not have any known lead service lines. In 2005, WSSC Water aggressively searched for and replaced all lead service lines.

\*Currently uses SRF funds ∧ Part of Consent Decree w/ EPA & MDE



## **Recommended Guidance**

1

Ensure maximum flexibility for how utilities can use the funds in order to allow states to create programs that best work for their diverse jurisdictions.

2 Encourage states to give flexibility for utilities to identify the critical clean water infrastructure needs of their communities and to strongly consider these needs when identifying parameters for the SRF funding.

3 **<u>Clearly define "underserved" and "underrepresented" communities with</u>** special consideration of urban and suburban communities that have pockets of these populations who will greatly benefit from this investment.



## IIJA Won't Cure All. . .

Water demand and usage is shifting because of conservation (pre-COVID) and consumption (post-COVID).

Funds cannot be used to address revenue shortfalls.\*

Not enough funding to address all clean and drinking water projects in the state (or in the country).

<u>Historic investment, but need sustained federal</u> <u>investment in water infrastructure.</u>

*\*IIJA includes a 40 city pilot for low income water assistance program.* 



## Thank You!





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