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Chairman Gibbs, Ranking Member Bishop, and Members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the U.S. Environmental Protection Agency (EPA)'s efforts to achieve better water quality improvements through integrated municipal stormwater and wastewater planning and innovative approaches for meeting our infrastructure challenges.

Introduction

The nation has certainly come a long way in improving water quality, public health and the environment since Congress enacted the Clean Water Act (CWA) almost 40 years ago. We have improved water quality and increased public health protection in streams, lakes, bays, and other waters nationwide. Our nation's public water systems provide water that, in nearly all cases, meets national health-based standards for contaminants in drinking water. However, significant drinking water and water pollution challenges remain. We face difficult and expensive infrastructure and engineering challenges in providing advanced treatment for nutrients and controlling combined sewer overflows (CSOs), sanitary sewer overflows (SSOs), and stormwater.

Population growth, increases in impervious surfaces, aging infrastructure, complex water quality issues, and the current economic challenges are stressing implementation of infrastructure and programs needed to fully attain CWA goals. Many of our state and local government partners find themselves facing difficult financial conditions. Their ability to finance improvements by raising revenues or issuing bonds declined during the economic downturn and ongoing economic recovery. We recognize the challenging financial conditions that many municipalities are facing, and EPA is working with states and local governments to develop and implement new approaches that will achieve water quality goals at lower costs while creating jobs and strengthening the economy. Two key elements of this effort are our support for integrated planning for water infrastructure investments and wider deployment of innovative approaches such as "green infrastructure" and asset management.

Integrated Planning

In the past, the EPA, states, and municipalities have often focused on each CWA requirement individually without full consideration of all CWA obligations or how various water quality investments can be coordinated and managed as a single effort. This uncoordinated approach may have the unintended consequence of constraining a municipality from addressing its most serious water quality issues in a cost-effective manner.

We believe a new commitment to integrated water quality planning and management offers municipalities an opportunity to meet CWA requirements in a more cost-effective manner and in a way that achieves the highest priority goals more quickly. The EPA recently reached settlement agreements with Indianapolis, Cleveland, St. Louis and others that have begun to embrace integrated planning approaches. These agreements demonstrate how we can help

communities across America meet a range of clean water goals at lower cost, create jobs, and strengthen our economy.

To further encourage this trend, on October 27, 2011, Assistant Administrator Cynthia Giles and I signed a memorandum to the EPA Regions that expresses the agency's commitment to integrated approaches to managing municipal stormwater and wastewater. The approach provides interested municipalities with an opportunity to develop a comprehensive plan that balances competing CWA requirements and allows municipalities to focus their resources on the most pressing public health and environmental protection issues.

The integrated approach is optional, and the responsibility to develop an integrated plan rests with municipalities. Once a municipality has developed a plan, the EPA and/or the state will work with the municipality to develop appropriate implementation requirements and schedules. The integrated planning approach, however, will not lower existing regulatory standards. Rather, the approach will take advantage of the flexibilities in existing EPA regulations, policies and guidance to allow municipalities to sequence implementation of their CWA obligations to protect water quality and public health at a reduced cost.

For example, EPA's existing regulations and policies provide EPA and states flexibility to evaluate a municipality's financial capability in tough economic times and to set appropriate compliance schedules, allow for implementing innovative solutions, and sequence critical waste- and storm-water capital projects and operation and maintenance-related work in a way that ensures human health and environmental protection. We recognize that such an integrated approach will necessarily involve balancing all of a municipality's competing CWA priorities with the public health and welfare objectives of the CWA. In doing so, we must be diligent in

ensuring that a municipality be positioned to address its most pressing public health and welfare issues first.

In addition to the October memorandum, we are developing a framework document that will more fully describe the integrated planning concept. Yesterday, the National Association of Clean Water Agencies (NACWA) sponsored a forum with major stakeholders, including representatives from states, municipalities, wastewater and stormwater utilities, environmental advocacy groups, and the EPA, to discuss the best ways to proceed with integrated planning approaches.

In early 2012, the EPA will hold several public meetings around the country to discuss a draft of the integrated planning framework and to gather feedback from states, municipalities, and other stakeholders. We are also identifying municipal leaders who are currently developing, or have developed, integrated plans that can serve as models for this work.

Innovative Approaches

The EPA is also encouraging municipalities to pursue innovative approaches to stormwater and wastewater management. These innovative approaches can include the expanded use of "green infrastructure" technologies and "asset management" approaches that provide a better basis for decision making on a utility-wide basis and support the long-term financial sustainability of the municipality. Both green infrastructure and asset management practices complement the integrated infrastructure planning that we are promoting.

The EPA has strongly encouraged these innovative approaches for several years. Some cities and communities have implemented green infrastructure approaches and are starting to see that the value of such projects goes beyond protecting water resources. On a regional scale,

green infrastructure consists of a network of open spaces and natural areas (such as forested areas, floodplains and wetlands) that improve water quality while providing recreational opportunities and wildlife habitat. On the local scale, green infrastructure consists of site-specific management practices, such as rain gardens, porous pavements, green roofs and cisterns, that are designed to maintain natural hydrologic functions by absorbing and infiltrating precipitation where it falls, and by returning it to the atmosphere via plants. Green infrastructure has a number of other environmental and economic benefits in addition to improving water quality, including recharge of ground water and surface water supplies; cleaner air; reduced urban temperatures; reduced energy demand; carbon sequestration; reduced flooding; and community benefits, such as improved aesthetics; improved human health; additional recreational and wildlife areas; and potential cost savings associated with lower capital costs compared to building large stormwater collection and conveyance systems.

The EPA is also promoting the use of an asset management approach for water and wastewater systems. An asset management approach is a framework that helps to pursue and achieve sustainable infrastructure by managing infrastructure capital assets to minimize the total cost of owning and operating the infrastructure while delivering the desired service levels. Asset management approaches can prolong asset life, better meet customer demands; improve rate-setting and budgeting; improve security and emergency response; and reduce overall costs. The EPA works in collaboration with partner organizations to develop and share best practices and tools, provide training, and encourage the adoption of asset management principles within our nation’s water and wastewater systems

Conclusion

We at the EPA look forward to working with this Subcommittee, our state colleagues, municipalities and the many other partners, stakeholders, and citizens. We are committed to maintaining improvements in water quality and moving toward full attainment of water quality and human health goals. Thank you again for inviting me to testify, and Cynthia or I would be happy to respond to any questions you may have.