

Position Paper Water and Wastewater Infrastructure Investment

Position

North America's water and wastewater infrastructure is in serious disrepair, and resources desperately needed to rebuild and replace it are increasingly harder to acquire. At a time when our environmental infrastructure faces hundreds of billions of dollars in documented needs, traditional funding sources have been stagnant or pared back. Innovative financing is sorely in demand. The Plastics Pipe Institute (PPI) supports public policy that provides for robust investment in North America's water and wastewater infrastructure from both public and private sources.

Background

According to the latest *Report Card of America's Infrastructure* developed by the American Society of Civil Engineers, there are an estimated 240,000 water main breaks per year in the U.S. Industry sources indicate that up to ten billion gallons of raw sewage is leaked into waterways or watersheds every year. Capital investment needed for the nation's wastewater and stormwater systems is estimated at \$298 billion over the next twenty years, while \$335 billion is needed for drinking water infrastructure over the same timeframe.

The crux of the capital needs is for pipe repair and replacement. According to the American Water Works Association, the cost to replace all water and wastewater pipes requiring restoration could exceed \$1 trillion in a matter of years unless policymakers reevaluate their priorities. Increased investment in pipe repair and replacement will help address combined sewer overflows, sanitary sewer overflows, and other consequential newsworthy incidents.

The need to rebuild and/or replace this critical yet neglected underground infrastructure is unchallenged. While the problem continues to grow, the enduring debate over how to pay for these improvements rages on. Despite rising needs in every state, a lack of political will to make necessary investments remains.

No single program or sole funding concept will serve as a "silver bullet" to this dilemma. Traditional financing programs such as the Environmental Protection Agency's State Revolving Fund programs and the Department of Agriculture's Rural Utilities Service need to be reauthorized at significantly higher funding levels. New financing authorized by the Water Infrastructure Financing and Innovation Act (WIFIA) needs to be fully appropriated. At the same time, there is ample room for a strong role to be played by the private sector. Opening the door to private investment through increased use of private activity bonds and other encouragement for public-private partnerships will help significantly to close the gap between what is needed and what is invested.

Members of PPI manufacture and distribute high-density polyethylene (HDPE) pipe increasingly used in municipal and industrial water and wastewater systems. HDPE offers a sustainable, low-cost, leak-proof alternative to other water and wastewater piping. Market expansion will provide opportunity for this superior piping to replace dilapidated infrastructure. Providing federal funding and removing barriers to private investment will create countless jobs and generate significant economic activity in local economies while enhancing public health and environmental protection.