



OFFICE OF WATER

WASHINGTON, D.C. 20460

August 15, 2024

Mr. Jaime D. Sigaran
Associate Director, Policy and Government Relations
American Rivers
jsigaran@americanrivers.org

Dear Mr. Sigaran:

Thank you for your July 8, 2024, letter to Administrator Regan spotlighting additional efforts your organizations would like the EPA to take to enhance stormwater and wastewater management at the state and local levels. I have been asked to respond on behalf of the Administrator. The U.S. Environmental Protection Agency shares your coalition's concerns in addressing our community's infrastructure challenges especially in consideration of the impacts of climate change. Feedback such as yours is invaluable for the agency to identify methods for improving outreach and assistance. As a response, the EPA would like to provide some examples of what the agency is currently undertaking to address your concerns particularly related to green infrastructure and stormwater management.

The EPA understands it is helpful for communities to see the types of projects that have been funded by the Clean Water State Revolving Fund to, in turn, request funding from their state and be added to the state's Intended Use Plan. The CWSRF program is in the process of updating its website to include nearly 240 project profiles, of which over half are projects in the categories of green infrastructure, stormwater management, water reuse, wetlands, and land conservation. Additionally, your organizations can access the annual summary dashboard, reports, and newly added project map at the [State Revolving Fund Public Portal](#).

Regarding the CWSRF recommendations, the EPA supports the states' efforts to address their water quality priorities, including stormwater runoff, through the financing of green infrastructure solutions. As a federal-state partnership program, the EPA provides general oversight of the program while it is the states' role to administer and implement the CWSRF program within the *Clean Water Act* statutory limits, including determining applicant eligibility, developing the application process, and defining the requirements for the credit review, financial documentation, and reporting. Because of the inherent flexibility of the program, state CWSRFs have a great deal of leeway in how they assist their borrowers, such as customizing interest rates, offering limited amounts of loan forgiveness, and sculpting repayment terms to accommodate borrower cash flow needs. As you alluded to in your letter, identifying loan repayment sources and revenue streams can be a barrier to using the CWSRF; however, states work with their borrowers to find creative repayment solutions such as fees paid by developers, business revenues, dedicated portions of local, county, or state taxes or fees, and

donations or dues made to nonprofits. The EPA encourages the states to find those creative repayment solutions and streamline their application processes and remains ready to offer support in the furtherance of those efforts.

In addition to the Sewer Overflow and Stormwater Reuse Municipal Grant, or OSG, grants you noted in your letter, on July 9, 2024, the EPA announced it would award \$5 million in grants to establish four new Centers of Excellence for Stormwater Control Infrastructure Technologies and a national clearinghouse for new and emerging stormwater control technologies. The centers will enhance efforts to support the nation's water infrastructure and protect water quality while the national electronic clearinghouse will be populated with research, best practices, and outreach from each center. The clearinghouse will be promoted with other organizations to expand the availability of water technical assistance, including states, Tribes, local governments, and disadvantage and underserved communities.

The EPA also provides stormwater and green infrastructure funding for projects in disadvantaged and underserved communities. In 2023, the EPA's Environmental Justice office funded over 180 projects led by state and local government, community-based organizations, and non-profit organizations. Over 50 of these grants will fund community engagement that builds partnerships in underserved communities to implement equitably designed green infrastructure programs. The expected outcomes are building capacity in local workforce, increased equitable access to shaded outdoor recreational areas, reduced flooding, and better managed stormwater.

To address challenges some communities may face applying for federal funding, the EPA, as you likely know, provides free technical assistance to communities nationwide through [WaterTA](#). The assistance provides hands-on support to identify water infrastructure or water quality challenges, develop plans to address these challenges, build technical, managerial, and financial capacity, maintain regulatory compliance, prepare application materials to finance water infrastructure projects with public funding, and improve resilience. For *Inflation Reduction Act* funding, the EPA has established the [Environmental Justice Thriving Communities Technical Assistance Centers](#) to provide direct technical assistance, training, and capacity-building support to communities and organizations to advance environmental and energy justice priorities that includes mitigating excessive heat impacts using green infrastructure practices.

On your letter's suggestion that the EPA should develop a communications and coordination plan to enhance state, municipal, and regional interagency coordination for stormwater management, the agency leads the [Green Infrastructure Federal Collaborative](#). The Collaborative includes over 25 federal entities that meet quarterly to align knowledge and resources to build capacity for green infrastructure implementation with a particular focus on climate resilience and equity. In collaboration with the White House's Council of Environmental Quality, the EPA maintains a "[Navigating Federal Funding for Green Infrastructure and Nature-Based Solutions](#)" on the Collaborative's webpage and is developing a webinar series for later this year that highlights available funding and technical assistance and specifically how these resources could be combined and sequenced. A long-term goal of the Collaborative is establishing interagency teams that coordinate work at the regional level.

Your letter suggested that the EPA develop guidance addressing the use of public-private partnership approaches to stormwater management including the use of stormwater credit trading concepts and

applications. Over the past several years the EPA has published a suite of outreach materials to promote broader understanding and implementation of off-site stormwater management, including a [Compendium of MS4 Permitting Approaches: Part 7: Off-Site Stormwater Management](#) and [case studies](#) and a [webinar](#) showcasing successful approaches to off-site stormwater management. These materials and other resources to support entities developing and implementing off-site stormwater management programs are available at the [EPA's off-site stormwater management webpage](#). Regarding trading, the EPA has long interpreted the CWA to allow market-based approaches to achieve compliance with CWA regulatory requirements. Because the National Pollutant Discharge Elimination System regulations do not explicitly address market-based approaches, the EPA is currently developing a proposed rule to clarify how water quality trading and other market-based approaches may be used by NPDES permitting authorities in permits to meet applicable Water Quality Standards (see [RegInfo.gov](#)). The EPA has also developed the [Water Finance Clearinghouse](#), which provides easy access to extensive resources such as reports, case studies, and webinars about financing mechanisms and approaches that can help communities access capital to meet their water infrastructure needs. This includes at least 95 resources on public-private partnerships for stormwater and green infrastructure. The Clearinghouse also hosts [Water Finance learning modules](#) including the Financing Stormwater Management Infrastructure learning module covering public-private partnerships and other innovative financing approaches. The agency continues to expand these resources by developing further learning modules and reports on specific topics within the realm of water finance innovation.

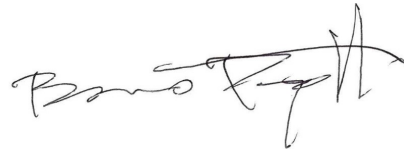
In your letter you identified climate change and related intensifying wet weather events as an emerging concern for water utilities. The EPA shares this concern and provides utilities tools, resources, and technical assistance through the [Creating Resilient Water Utilities](#), or CRWU, initiative. Through CRWU, water sector utility owners and operators will receive one-on-one, no-cost climate change risk assessment support using CRWU's tools and resources, including our Resilient Strategies Guide, Climate Resilience Evaluation and Awareness Tool, and Climate and Weather Data Maps. There is currently an open call for utilities to receive technical assistance that you may wish to share with your networks. Applications are due by August 15, 2024, and contact information can be found on the CRWU website.

On your final point about incentivizing and encouraging Integrated Planning, the agency continues to support integrated planning in communities and through the NPDES permitting program. In addition to the fact sheets, case studies, and StoryMap available on our [Integrated Planning webpage](#), the EPA recently published an [Integrated Planning Toolkit](#) for State Permitting Authorities to support review and incorporation of Integrated Planning project elements into permits. Over the last year the EPA has been piloting the toolkit through technical assistance to states and communities. The EPA intends to continue Integrated Planning assistance and training to states and communities in the coming years. Additionally, the EPA was pleased to participate on the July 10, 2024, webinar hosted by the National Municipal Stormwater Alliance entitled, "How MS4s Can Take an Integrated and Long-Term Planning Approach to Reduce Stormwater Impacts." On that webinar, the EPA highlighted additional resources that we recently finalized focused on supporting Integrated Planning within stormwater programs. These new resources focus on asset management, financing/funding, selecting suitable sites for stormwater/green infrastructure controls, and incorporation of green infrastructure into roadway projects. From this effort we have shared work sheets, resources, and a revised guide to long-term stormwater planning; as well as some example materials from the communities with whom we worked. These resources are now posted to our [Stormwater NPDES page](#) and our [Integrated Planning](#)

[webpage](#). The agency looks forward to further collaborations with your organizations on outreach efforts such as this.

Again, the EPA thanks you for your continued support of the agency's mission and taking the time to share your recommendations on how the agency can better address America's water infrastructure challenges. If you have further thoughts, please do not hesitate to share.

Sincerely,

A handwritten signature in black ink, appearing to read "Brenda R. ..." with a stylized flourish at the end.

Acting Assistant Administrator

cc: National Association of Clean Water Agencies
National Municipal Stormwater Alliance
Water Environment Federation