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DRIVE Act Includes Industry Supported WIFIA Tweak

In 2014, Congress enacted the [Water Resources Reform & Development Act \(WRRDA\)](#), which included the [Water Infrastructure Financing Innovation Act \(WIFIA\)](#), a pilot program to provide long-term, low-interest loans for large drinking water, wastewater and water reuse projects.

Unfortunately, the highly-anticipated loan program's success is hindered by lack of initial capitalization, federal mandates on WIFIA-funded projects (environmental, Buy America, and Davis-Bacon requirements), and a lesser-known provision from WRRDA that prohibited tax-exempt financing (such as private activity bonds) from being used to partially fund any project that also receives WIFIA assistance. Since WIFIA loans are only able to fund up to 49 percent of a project, local communities are left with a significant barrier to acquiring the remainder of the financing.

However, the Senate-passed [DRIVE Act](#) (the Senate's highway reauthorization proposal), includes a provision to remove the limitation prohibiting projects funded under WIFIA from being funded with tax-exempt financing tools. If enacted as part of a highway bill or another legislative vehicle, it would permit public authorities to issue tax-exempt bonds (including private activity bonds) alongside WIFIA loans, allowing communities to use bonding and other public-private partnerships to fund the project's balance.

ACPPA commends the Senate's actions and the association is working with House water infrastructure leaders to ensure its inclusion in the chamber's highway reauthorization bill.

Highway Bill: Hurry Up and Wait



As lawmakers returned from the August congressional recess this month, optimism for quick House action on a multiyear highway bill pulsed throughout the Capitol. However, a House Transportation & Infrastructure Committee (T&I) markup scheduled for Sept. 10 was delayed indefinitely and with a busy fall agenda, talk of another short-term extension permeated the discussion. Despite Senate passage of the [DRIVE Act](#) (a six year highway bill with three years of funding), before the August break, the strong momentum for a long-term agreement to invest in our nation's crumbling surface transportation infrastructure slowed. Make no mistake about it; a solution is allusive for the same old reason: funding. With lawmakers unwilling to raise the gasoline user fee because of the perceived political risk, the American people and the industrial sector are left to deal with the uncertainty.

Nonetheless, because of the Senate's action, a path forward is possible. House T&I Committee leadership remains committed to completing a six-year highway bill before November. House Ways & Means

Committee Chairman Paul Ryan (R-Wis.) indicated he's working toward funding the bill (likely through international tax reform). If the revenue doesn't come together, the House can always approve a policy bill (without funding) and go to conference with Senate, where pay-fors would be negotiated.

In a [letter to Congress on Sept. 11](#), ACPPA and its allies kept the pressure on for a long-term and robust funding solution to invest in surface transportation infrastructure projects. "The U.S. economy and all Americans require a surface transportation infrastructure network that can keep pace with growing demands," the letter said. "A six-year federal commitment to prioritize and invest in our aging infrastructure and safety needs is essential to achieve this goal."

Unfortunately, the delay is going to necessitate another short-term extension (the highway program's authorization expires after Oct. 29) and the Department of Transportation's recent [announcement](#) that the Highway Trust Fund will remain solvent well into 2016 takes away some urgency for quick congressional action.

House Panel Approves Crude Oil Export Ban Elimination



On Sept. 17, the House Energy & Commerce Committee approved legislation to lift the 1970's era crude oil export ban ([H.R. 702](#)). If enacted, H.R. 702 will expand U.S. producers' overseas oil markets, substantially increasing domestic output and creating greater demand for a broad range of industrial services at every step in the supply chain

The crude oil export ban was designed to stifle the impact of potential oil embargoes by foreign producers. Forty years later, it's a drag on the economy as the United States is now the world's number one oil producer. However, oil companies are still restricted in selling raw product to overseas consumers.

Lifting the crude export ban would have a significant impact on the economy. The [Energy Equipment & Infrastructure Alliance](#) estimates that allowing U.S. producers to export crude could create as much as \$47 billion per year in additional energy supply chain economic activity.

Unfortunately and unsurprisingly, some lawmakers and President Obama have made the commonsense proposal partisan. Opponents cite unsubstantiated concerns, such as increased gasoline prices (lifting the ban would actually lower U.S. prices, which are set based on international, not domestic oil), a negative impact on domestic refiners and climate change as reasons for disapproval. The House will likely pass the bill in the coming weeks, but its future remains murky given the Senate's 60-vote threshold to overcome a filibuster and the Obama administration's opposition.

Smart Cities Initiative Includes Underground Infrastructure Projects

On Sept. 14, the White House introduced a [Smart Cities initiative](#). By investing more than \$160 million in research and technology collaborations, the Obama Administration hopes communities across the nation will be better equipped to address issues surrounding crime, traffic, economic growth, climate change and infrastructure.



Additional steps are being taken by private organizations, donors and community leaders. [City Digital](#), a Chicago-based consortium including Microsoft, Accenture, ComEd, Siemens, Tyco and HBK Engineering, will launch two underground infrastructure projects. Using sensors, the projects will collect data regarding water management as well as virtually map and monitor underground structures.

To learn more about City Digital's underground infrastructure pilot projects, [click here](#) and navigate to the "Work" tab.

Pressure Pipe Post

ACPPA's Monthly Source for Industry News

September 2015

To keep members aware of the activities of government and standards organizations, we regularly sweep public databases and publications for the industry-specific terms indicated below. We then provide our members with links to documents identified in the search. Please note that in some cases the URLs may link to subscription-only databases. The purpose of this service is to identify emerging threats and trends as well as opportunities for collective action by ACPPA.

NEWS RESULTS

Underground Water Infrastructure

Vermont's 'Crumbling' Underground Water Infrastructure Demands Expensive Repairs

09/01/2015 <http://digital.vpr.net/post/vermonts-crumbling-underground-water-infrastructure-demands-expensive-repairs#stream/0>

Even as state and federal officials direct new money and staffing to water quality efforts across the state, the networks of pipes that bring water to and from Vermont homes and businesses are crumbling beneath their feet. In some places, pipes that are more than 100 years old are causing major problems, but officials simply don't have the resources to replace them.

Helper Citizens Dismayed by Rate Hikes, Council Explains There is No Alternative

09/01/2015 http://www.sunad.com/index.php?tier=1&article_id=34792

Last Thursday, City Council decided unanimously to borrow an additional \$4.8 million and raise water and sewer rates to provide a transfusion of capital into the rebuilding project. Almost as soon as the project had begun two years ago, it became apparent that damage was much more extensive - and expensive - than thought.

Mooresville Project for Water Pipeline about to Start

09/01/2015 <http://www.charlotteobserver.com/news/local/community/lake-norman-mooresville/article33158031.html>

Construction of a water pipeline that would stretch thousands of feet in the southern part of Mooresville could start this month. The pipeline would extend some 5,100 feet between the intersection of Fieldstone and White Oaks roads.

In 2015, Nearly 3 Dozen Alaska Villages Lack Basic Plumbing

09/20/2015 http://www.denverpost.com/environment/ci_28847852/2015-nearly-3-dozen-alaska-villages-lack-basic

Residents in at least 30 isolated communities far from the state's meager road system are mired in Third World conditions despite more than \$2 billion in federal and state money over the past 50 years to provide basics like running water that most Americans take for granted.

Aging Water Systems Get Federal Cash

09/22/2015 <http://www.vnews.com/news/state/region/18708758-95/aging-water-systems-get-federal-cash>

New Hampshire relies heavily on a federal loan program to make improvements to an aging drinking water system but hundreds of millions more is needed. A Joint Legislative Study Commission reported in 2013 that it would cost \$857 million over a decade to address all the state's drinking water priorities.

Water Supply

State Senator Urges Borrowing up to \$1B to Lift Water Quality

09/02/2015 <http://www.toledoblade.com/local/2015/09/02/State-senator-urges-borrowing-up-to-1B-to-lift-water-quality.html>

State Sen. Randy Gardner (R., Bowling Green) has proposed borrowing \$500 million to \$1 billion to put more muscle behind Ohio's promises to fight toxic algae on Lake Erie and improve water quality elsewhere across the state.

EPA Awards \$80M Contract to Cadmus for Drinking Water Protection Support

09/02/2015 <http://www.waterworld.com/articles/2015/09/cadmus-wins-80m-epa-contract-to-continue-supporting-drinking-water-protection.html>

Today, the Cadmus Group, an environmental and energy consulting firm serving government and commercial markets, announced that it has been awarded a seven-year contract worth more than \$80 million with the Environmental Protection Agency's (EPA) Office of Ground Water and Drinking Water.

The Water Project

09/10/2015 <http://www.vermontjournal.com/content/water-project-part-3>

The Chester water system, which was last upgraded in the early 1980's, includes a groundwater well source, one water storage tank and a network of water mains. With a single water storage tank, there is a lack of redundancy and reliability since the only tank cannot be taken off-line.

Augusta Co. Concerned Proposed Pipeline Could Hurt Water Supply

09/11/2015 <http://www.nbc29.com/story/30012906/augusta-co-concerned-proposed-pipeline-could-hurt-water-supply>

The Augusta County Board of Supervisors is worried the proposed Atlantic Coast Pipeline could endanger the county's biggest water supply. The board recently hired a consultant to help them use a federal law to get regulators to listen to their concerns.

Regional Water Treatment Plant Designed for 9.0 Quake

09/18/2015 <http://koin.com/2015/09/18/regional-water-treatment-plant-designed-for-9-0-quake/>

A new regional water supply treatment and distribution plant will be designed to withstand a 9.0 magnitude earthquake, according to builders. The Willamette Water Supply is a joint of several agencies and jurisdictions effort including the Tualatin Valley Water District.

47 Senators File Resolution to Kill Wotus

09/25/2015 <http://www.agrimarketing.com/s/98883>

Forty-seven senators, led by Joni Ernst (Iowa), this week filed a resolution to kill the administration's controversial water rule using the Congressional Review Act. The 1996 law allows expedited procedures to be used to block new regulations. They are most significant in the Senate, where the law limits debate time and bans the use of some common procedural delay tactics, including the filibuster.

Construction

Houston Head of Balfour Beatty: Construction Costs are Rising

09/02/2015 http://www.bizjournals.com/houston/morning_call/2015/09/houston-head-of-balfour-beatty-construction-costs.html

"Overall, construction costs are going up, and that's because of the demand for skilled labor," Mechler said. "Without the necessary skilled labor, a two-year project can get extended to a four-year project. That has a huge effect on the cost of that project."

Advocates Pressure House GOP to Get Moving on Roads Bill

09/14/2015 <http://thehill.com/policy/transportation/253613-advocates-pressure-house-gop-to-get-moving-on-roads-bill>

Transportation advocates are pushing the House to get moving on passing a new long-term highway funding bill as a deadline for the expiration of the spending looms next month. Federal infrastructure funding is currently scheduled to expire in Oct. 29, although the transportation has said recently that it has enough money to cover expenses until next June as long as Congress passes a reauthorization of its ability to cut checks.

White House Announces \$160 Million Smart Cities Initiative

09/14/2015 <http://smartcitiescouncil.com/article/white-house-announces-160-million-smart-cities-initiative>

The White House Monday announced a sweeping smart cities initiative that will invest more than \$160 million in research and technology collaborations to help communities across the country tackle key challenges – from fighting crime to reducing traffic congestion to fostering economic growth.

Concrete

Building with Recycled Concrete

09/03/2015 <http://www.indianaagconnection.com/story-state.php?id=781&yr=2015>

Much of the research to date to reduce the environmental impacts of concrete has focused on the partial replacement of cement with industrial by-products (for example, fly ash, ground granulated blast furnace slag, and silica fume). In comparison, conservation of natural aggregates has been largely ignored in the United States even though these materials take about half of the concrete mix by volume.

Coal and Natural Gas

EPA to Add New Rule on Power Plant Discharges

09/07/2015 <http://www.charlotteobserver.com/news/local/article34289517.html>

After decades of inaction, the federal government in September will release its second major rule affecting coal ash from power plants in less than a year. Last December, the Environmental Protection Agency released the first federal rules on ash disposal. This month, the agency will set the first federal limits on toxic metals – mostly from ash – in wastewater discharges from power plants.

Experts Have Just Found Gas Leaking Out Of 1,000 Spots In New York City

09/09/2015 <http://www.buzzfeed.com/danvergano/nyc-gas-leaks>

Thanks to old and rusty pipelines, Manhattan leaks three to five times more natural gas than cities with newer infrastructure, according to a survey of three U.S. cities published on Wednesday. In recent years, cities across America have increasingly switched their heating and energy sources from coal, the leading fossil fuel linked to global warming, to the cheaper and cleaner natural gas, or methane.

Federal Air Rules Bring 'New Normal' for Coal

09/11/2015 <http://www.alleghenyfront.org/story/federal-air-rules-bring-new-normal-coal>

Around 200 coal-fired power plants have either closed or announced plans to shut down around the country. Low natural gas prices have made coal-fired electricity less competitive. But federal clean air rules are also forcing plants to make a choice: clean up—or shut down.

Industry assesses fly ash designation measures, EPA Clean Power Plan

09/24/2015 <http://www.concreteproducts.com/government-affairs/9272-industry-assesses-fly-ash-designation-measures-epa-clean-power-plan.html#.Vqg1j8tVhBd>

The U.S. House of Representatives passed “Improving Coal Combustion Residuals Regulation Act of 2015,” (H.R. 1734) in a bipartisan 258-166 vote. Sponsored by Rep. David McKinley, (R-WV), it codifies the [Environmental Protection Agency's](#) decision to regulate fly ash and other coal combustion residuals (CCR) under the Resource Conservation and Recovery Act (RCRA) “solid” versus “hazardous” waste provisions.

REGULATORY RESULTS

Water Supply & Hydropower

NIH | Decision | Bethesda Campus Chilled Water System Improvements Record of Decision

09/18/15 <http://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23487.pdf>

The Department of Health and Human Services, the National Institutes of Health (NIH), has decided, after completion of a Final Environmental Impact Statement (FEIS) and a thorough consideration of the public comments on the Draft EIS, to implement the Proposed Action, referred to as the Proposed Action in the Final EIS.

Office of Environmental Policy and Compliance | Notice and Request for Comments| Proposed Renewal of Information Collection: The Alternatives Process in Hydropower Licensing

09/17/15 <http://www.gpo.gov/fdsys/pkg/FR-2015-09-17/pdf/2015-23393.pdf>

In compliance with section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Office of Environmental Policy and Compliance, Office of the Secretary, Department of the Interior is announcing its intention to request renewal for the collection of information for Alternatives Process in Hydropower Licensing.

Federal Energy Regulatory Commission | Notice | Greenwood County, South Carolina; Notice of Application Accepted for Filing, Soliciting Comments, Motions To Intervene, and Protests

09/17/15 <http://www.gpo.gov/fdsys/pkg/FR-2015-09-17/pdf/2015-23319.pdf>

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection.

Cement

EPA | Final Rule; Correcting Amendments | National Emission Standards for Hazardous Air Pollutants for the Portland Cement Manufacturing Industry and Standards of Performance for Portland Cement Plants; Correction

09/11/15 <http://www.gpo.gov/fdsys/pkg/FR-2015-09-11/pdf/2015-22945.pdf>

The Environmental Protection Agency (EPA) published a final rule in the Federal Register on July 27, 2015, titled National Emission Standards for Hazardous Air Pollutants for the Portland Cement Manufacturing Industry and Standards of Performance for Portland Cement Plants.

LEGISLATIVE RESULTS

Water Supply

H.R.3533 | Introduced by Rep. Hanna, Richard L. (R-NY-22) | Water System Cost Savings Act

09/17/15 <https://www.congress.gov/bill/114th-congress/house-bill/3533/text?q=%7B%22search%22%3A%5B%22%5C%22drought%5C%22%22%5D%7D&resultIndex=1>

To reduce Federal, State, and local costs of providing high-quality drinking water to millions of people in the United States residing in rural communities by facilitating greater use of cost-effective alternative systems, including well water systems, and for other purposes.

Coal

S.2012 | Introduced by Sen. Murkowski, Lisa (R-AK) | Energy Policy Modernization Act of 2015

09/09/15 <https://www.congress.gov/bill/114th-congress/senate-bill/2012/text?q=%7B%22search%22%3A%5B%22pipe%22%5D%7D&resultIndex=1>

To provide for the modernization of the energy policy of the United States, and for other purposes.

H.R.8 | Introduced by Rep. Upton, Fred (R-MI-6) | North American Energy Security and Infrastructure Act of 2015

09/16/15 <https://www.congress.gov/bill/114th-congress/house-bill/8/text?q=%7B%22search%22%3A%5B%22concrete+pressure+pipe%22%5D%7D&resultIndex=3>

To modernize energy infrastructure, build a 21st century energy and manufacturing workforce, bolster America's energy security and diplomacy, and promote energy efficiency and government accountability.