



DON'T LOSE INDIANA'S ECONOMIC ADVANTAGE

Economic Impacts of Recreational Water Quality Criteria on Mishawaka's Economy

Have Indiana Department of Environmental Management (IDEM) adopt the 2012 Environmental Protection Agency (EPA) Recreational Water Quality Criteria (RWQC).

Over the last 20 years, Indiana communities have made historic investments to improve water quality by expanding sewer and wastewater treatment infrastructure to significantly reduce combined sewer overflows (CSO's) caused by rain and snow melt. Indiana communities are currently committed to spend over four billion dollars to reduce CSO's and protect the environment by completing their existing CSO Long Term Control Plans (LTCP).

Since 1990 Mishawaka has spent \$253 million to achieve a CSO capture percentage of 99.54. Annual CSO volume has been reduced from 314 million gallons to less than 4.1 million gallons in a typical year. Mishawaka is also facing over \$160 million in necessary upgrades to its Water and Electric infrastructure. With these additional infrastructure needs, non-beneficial spending on CSO's is the wrong investment.

Under Indiana's current RWQC, an additional \$71 million would have to be spent to comply with the current Indiana water quality standards. Compliance with the current Indiana WQS would result in 20% of Mishawaka households paying over 6.8% of their household income on sewage rates alone. With the adoption of the 2012 RWQC Mishawaka could achieve water quality compliance, saving the City's ratepayers over \$60 million. There would be no detrimental impact on in-stream water quality or public health.

Adopting the 2012 EPA RWQC will also give Mishawaka and other Indiana communities regulatory certainty that they will not be forced to spend additional billions on CSO infrastructure that provides little to no environmental benefit, and gives our communities freedom to make the right investments to protect the public and the environment.

» **The 2012 RWQC was developed by US EPA and is based on newest and best science**

EPA developed these criteria to reflect the latest scientific knowledge, public comments, and external peer review. The criteria are designed to protect the public from exposure to pathogens while participating in water-contact activities such as swimming, wading, etc. The 2012 RWQC standards are recommended by the EPA to replace their 1986 criteria, which Indiana's WQ standards are based on.

» **Other states in Region 5 are adopting these criteria**

Ohio has already adopted these criteria. Wisconsin will soon adopt the criteria. EPA Region 5 governs Indiana, Ohio and Wisconsin, so Indiana would only be requesting EPA to accept its own standard which is already approved for other states. Federal approval of the updated standards is not a concern. State adoption is needed and IDEM is resistant to do so.

» **Not adopting the criteria places Indiana at a competitive disadvantage**

If the criteria are not adopted and our wastewater utilities are forced to make additional investments in CSO infrastructure, improvements that will not be required in Ohio, our utility rates will not be economically competitive and that will hurt Indiana when competing for new businesses with other states.

» **The existing criteria will result in uncertainty, wasted time and increased cost**

The existing means of providing regulatory certainty is the Use Attainability Analysis (UAA) process. The UAA process is described in Indiana's Non-Rule Policy Document Water-014. This process provides only temporary relief, it must be reauthorized every five years, it is unproven, it will require significant effort by IDEM staff, and development of the UAA imposes another cost on each wastewater utility. Furthermore, the UAA must be reviewed and approved by EPA every five years.

Updating Indiana Water Quality Standards to match EPA Standards will provide certainty to over 100 Combined Sewer Overflow (CSO) Communities throughout the state and ensure that future investments in wastewater infrastructure are not wasted on massively expensive projects with no environmental benefit, while ignoring other critical infrastructure needs in communities.

It is in the economic interest of Indiana's CSO communities to have IDEM adopt the 2012 standards. IDEM adoption of the 2012 RWQC will minimize the detrimental impact of exorbitant utility rates that would suppress economic development in Indiana.

The City of Rensselaer

Don't Lose Indiana's Economic Advantage Urge the Indiana Department of Environmental Management (IDEM) to adopt a variation of the 2012 Environmental Protection Agency (EPA) Recreational Water Quality Criteria (RWQC).

Our Story

Over the last 20 years, Indiana communities have made historic investments to improve water quality by expanding sewer and wastewater treatment infrastructure to significantly reduce combined sewer overflows (CSO's) caused by rain and snow melt. Indiana communities are currently committed to spend over \$4B to reduce CSO's and protect the environment by completing their existing CSO Long Term Control Plans (LTCPs).

The City of Rensselaer is 1 of the over 100 CSO communities. And, like most CSO communities, the required CSO LTCP represents the largest capital improvements project in history. Since 1992 when the City initiated compliance with State and Federal CSO policy, over \$15M in CSO mitigation projects has been invested. Most recently in 2017, the City completed construction on a wet weather/CSO treatment facility whereby over \$7M of the over \$15M was invested to mitigate the discharge of untreated CSO. The City is under a state enforcement action (State Agreed Judgement) to spend an additional \$27.8M through 2030. This brings the total of CSO wastewater utility improvements to \$42.6M for a community that has a population of 5,878. Not only is the City's customer base limited when compared with larger utilities, the City utilities (electric, gas, water, and wastewater) annual revenues have been reduced significantly by approximately \$1M per year due to the suspension of operations at St. Joseph's College.

Currently, the average monthly residential customer wastewater utility bill is over \$49 per month. The required future CSO and wastewater improvements are projected to drive the average monthly residential wastewater rate in excess of \$110 per month by 2030!

The 2012 RWQC was developed by US EPA and is based on newest and best science

EPA developed these criteria to reflect the latest scientific knowledge, public comments, and external peer review. The criteria

are designed to protect the public from exposure to pathogens while participating in water-contact activities such as swimming, wading, etc. The 2012 RWQC has flexibility to be construed to allow a 10% exceedance for compliance determination over a 90-day period based on the detailed technical evaluation performed by EPA.

Other states in Region 5 are adopting these criteria

Ohio has already adopted these criteria. Wisconsin will soon adopt the criteria. EPA Region 5 governs Indiana, Ohio and Wisconsin, so Indiana would only be requesting EPA to accept its own standard which is already approved for other states. Federal approval of the updated standards is not a concern. State adoption is needed and IDEM is resistant to do so.

Not adopting the criteria places Indiana at a competitive disadvantage

If the criteria are not adopted and our wastewater utilities are forced to make additional investments in CSO infrastructure, improvements that will not be required in Ohio, our utility rates will not be economically competitive and that will hurt Indiana when competing for new businesses with other states.

The existing criteria will result in uncertainty, wasted time and increased cost

The existing means of providing regulatory certainty is the Use Attainability Analysis (UAA) process. The UAA process is described in Indiana's Non-Rule Policy Document Water-014. This process provides only temporary relief, it must be reauthorized every five years, it is unproven, it will require significant effort by IDEM staff, and development of the UAA imposes another cost on each wastewater utility. Furthermore, the UAA must be reviewed and approved by EPA every five years.

What the 2012 RWQC means for Rensselaer

Currently, regulatory compliance with City's current CSO mitigation pathway only comes with the approval of UAA, which as described above, does not provide any compliance certainty. If IDEM were to adopt the 2012 RWQC (or a similar variant) the City would receive regulatory compliance assurance after the implementation of the largest capital improvements plan in history.

Adopting the 2012 EPA RWQC will give Rensselaer and other Indiana communities regulatory certainty that they will not be forced to spend additional billions on CSO infrastructure that provides little to no environmental benefit, and gives our communities freedom to make the right investments to protect the public and the environment.



Don't Lose Indiana's Economic Advantage

Urge the Indiana Department of Environmental Management (IDEM) to adopt a variation of the 2012 Environmental Protection Agency (EPA) Recreational Water Quality Criteria (RWQC).

Over the last 20 years, Indiana communities have made historic investments to improve water quality by expanding sewer and wastewater treatment infrastructure to significantly reduce combined sewer overflows (CSO's) caused by rain and snow melt. Indiana communities are currently committed to spend over four billion dollars to reduce CSO's and protect the environment by completing their approved CSO Long Term Control Plans. With so many infrastructure needs, non-beneficial spending on additional CSO controls is the wrong investment. Adopting the 2012 EPA RWQC, or more likely a variation thereof, will give our communities regulatory certainty that they will not be forced to spend additional billions on CSO infrastructure that provides little to no environmental benefit, and freedom to use scarce public funds to address other compelling infrastructure needs while protecting public health and the environment.

The 2012 RWQC was developed by US EPA and is based on newest and best science

EPA developed these criteria to reflect the latest scientific knowledge, public comments, and external peer review. The criteria are designed to protect the public from exposure to pathogens while participating in water-contact activities such as swimming, wading, etc. The 2012 RWQC has flexibility to be construed to allow a 10% exceedance for compliance determination over a 90-day period based on the detailed technical evaluation performed by EPA.

Other states in Region 5 are adopting similar criteria

Ohio has already adopted these criteria, with certain revisions. Wisconsin is expected to soon adopt the criteria, also with certain revisions. Both states have adopted these criteria with a revision that applies the 10% exceedance allowance over a 90-day period. EPA Region 5 governs Indiana, Ohio and Wisconsin, so Indiana would only be requesting EPA to accept its own standard, as revised and already approved for other states.

Not adopting the criteria places Indiana at a competitive disadvantage

If the criteria are not adopted here and our wastewater utilities are forced to make additional investments in CSO infrastructure -- improvements that will not be required in Ohio or Wisconsin, our utility rates will not be economically competitive and that will hurt Indiana when competing for new businesses with other states.

The existing criteria will result in future compliance uncertainty, wasted time and increased cost

The existing means of providing regulatory certainty is the Use Attainability Analysis (UAA) process. The UAA process is described in Indiana's Non-Rule Policy Document Water-014. This process provides only temporary relief; it must be reauthorized every five years by both IDEM and EPA; it is unproven; it will require significant review effort by IDEM/EPA staff; and development of the UAA imposes another cost on each wastewater utility.

Updating Indiana Water Quality Standards to match EPA's 2012 RWQC (with some variation) will provide certainty to over 100 Combined Sewer Overflow (CSO) Communities throughout the state and ensure that future investments in wastewater infrastructure are not wasted on massively expensive projects with no environmental benefit, while ignoring other critical infrastructure needs in communities.

Let Lt. Governor Crouch's Office Know Adopting the 2012 EPA RWQC is needed for YOUR COMMUNITY

**Call the Lt. Governor at 317-232-4545 or her Chief of Staff Tracy Barnes at 317-232-2924
(trbarnes@lg.in.gov)**