

Dedicated to the World's Most Important Resource™

June 9, 2015

The Honorable Harold Rogers Chairman Committee on Appropriations U.S. House of Representatives H-305, The Capitol Washington, D.C. 20515

The Honorable Nita Lowey Ranking Member Committee on Appropriations U.S. House of Representatives 1016 Longworth House Office Building Washington, D.C. 20515 The Honorable Ken Calvert Chairman Subcommittee on Interior, Environment and Related Agencies U.S. House of Representatives B308 Rayburn House Office Building Washington, DC 20515

The Honorable Betty McCollum Ranking Member Subcommittee on Interior, Environment and Related Agencies U.S. House of Representatives B308 Rayburn House Office Building Washington, DC 20515

Dear Chairmen Rogers and Calvert and Ranking Members Lowey and McCollum,

On behalf of the American Water Works Association's (AWWA's) 50,000 members, I am concerned that the "American Iron and Steel" (AIS) provision of the Drinking Water and Clean Water Revolving Funds and the new WIFIA program as interpreted by EPA could drive up the costs of much-needed water infrastructure projects.

AWWA is the largest nonprofit, scientific and educational association dedicated to managing and treating water – the world's most important resource. We provide solutions to improve public health, protect the environment, strengthen the economy and enhance our quality of life.

At a time when our nation faces staggering investment needs of nearly \$2 trillion over the next 25 years to restore deteriorating drinking water, stormwater, and wastewater infrastructure, the limited interpretation of the AIS provision, by excluding many American manufacturers of water pipe and other commonly used products, could make water infrastructure improvements more costly. For example, utilities that have long relied on now-excluded local or regional iron and

steel producers must find new sources and suppliers, undermining efficient supply chains and adding to costs.

For water utilities in the western U.S., this problem is particularly acute, as the limited interpretation of the AIS provision eliminates all western U.S. iron and steel producers and their downstream manufacturers of water pipe, hydrants, valves, and other products. As a result, water utilities face higher material and transport costs for iron and steel products.

To help close our water infrastructure investment gap and maximize the impact of every dollar invested in water projects, Congress should support measures that limit – not add to – project costs and reduce Federal requirements and red tape. To further these aims, we urge you to restore water utilities' ability to buy iron and steel products from the local and regional U.S. manufacturers and suppliers they have relied on for decades.

Sincerely yours,

Tom Centy

Tom Curtis Executive Director of Government Affairs