

WPUDA supports Federal funding mechanisms to facilitate PUD infrastructure investments.



Federal funding mechanisms including grants, loans and tax credits are important tools to help bring broadband to rural areas and support the safe and reliable delivery of services such as water, wastewater and electricity.

Support federal infrastructure funding

Support efforts to recapture the savings that advanced refunding of municipal bonds offers: Public Utility Districts issue bonds to cost-effectively invest in infrastructure necessary to provide safe, reliable and affordable services. The ability of PUDs to “refund” existing tax-exempt municipal bonds by issuing new bonds and paying off the existing ones allows PUDs to ensure infrastructure investments are made using least-cost financing tools. That keeps rates affordable while ensuring the integrity of the systems that deliver vital services to citizens.

The 2017 Tax Reconciliation Act prohibited the issuance of tax-exempt “Advance Refunding Bonds” after December 2017, eliminating an important tool to manage critical infrastructure investments. Loss of this option means PUD ratepayers may have to pay more than they would otherwise for infrastructure funded by the issuance of bonds and PUDs would have less flexibility in managing system needs.

Support restoration of funding cut due to sequestration for CREBs and BABs: Clean Renewable Energy Bonds (CREBs) and Build America Bonds (BABs) provide state and local governments with direct federal interest payments for a portion of their borrowing costs on taxable bonds.

The promised portion of the interest payments paid by the federal government has not been fulfilled as these funds were cut by sequestration, costing PUD ratepayers over \$1 million per year. WPUDA urges members of congress to act in order to prevent further cuts to promised credit payments.

Support federal funding for water quality improvements including assistance for mitigation costs related to PFAS (per-and polyfluoroalkyl substances): Public Utility Districts are responsible for providing safe drinking water to more than 120,000 customers (connections) in Washington State. PUDs are vigilant in ensuring the safety of water serving communities and rely on state and federal funding to support water system investments necessary to the delivery of safe, reliable and affordable water.

There is rising concern across the nation about PFAS compounds (so-called “forever chemicals”) contaminating source water and drinking water. PFAS have been used for many purposes including firefighting and oil recovery and to produce medical equipment, food packaging, nonstick cookware and more. Concerns about the health effects of exposure to the chemicals has focused attention to the issue on both the state and federal level. Washington State is currently revising the Group A public water supplies rule to set a regulatory standard for PFAS to include monitoring, recordkeeping and reporting, follow-up actions and other requirements.

As regulations are developed to address PFAS, it is critically important for Congress to ensure there is proper federal funding available to assist water systems with costly mitigation related to PFAS. Federal funding resources to respond to PFAS and to support infrastructure investments in water systems will ensure not only the safety of our citizens but the continued access to affordable and reliable water provided by Public Utility Districts.

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