



2022 ANNUAL REPORT

WIFIA
PROGRAM

MARCH 2023

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A MESSAGE FROM OUR DIRECTOR

As the WIFIA program grows, we continue to adapt to meet the needs of our borrowers and ensure WIFIA financing remains an accessible and viable option for communities across the county. In this year's report, I would like to highlight three key ways that we are doing this.

1

Making our funding available to borrowers on an ongoing basis through our new rolling letter of interest submission process, so that prospective borrowers can request financing on their own schedule and receive selection decisions more quickly.

2

Identifying a pathway for WIFIA-financed projects to be compliant with new Build America, Buy America (BABA) requirements without delaying construction.

3

Issuing loans for planning and design-only projects and engaging with prospective borrowers early in their project planning to provide funding certainty and accelerate project development.



JORIANNE JERNBERG
DIRECTOR, WIFIA PROGRAM

Looking ahead, I am excited that more of our borrowers will complete their construction project and move to operation. After years of hard work, borrowers' communities are beginning to benefit from the health and environmental improvements that result from modernized, resilient water infrastructure financed by the WIFIA program.

WHAT'S NEW IN THE WIFIA PROGRAM

To make WIFIA funding more adaptive to ongoing community needs, the WIFIA program made important programmatic changes that are continuing its mission while granting borrowers more flexibility:



FINANCING DESIGN-ONLY LOANS

The WIFIA program began accepting letters of interest for design-only loans. By financing design-only loans, WIFIA borrowers can secure funding certainty to support project planning and design and accelerate investment in their projects.

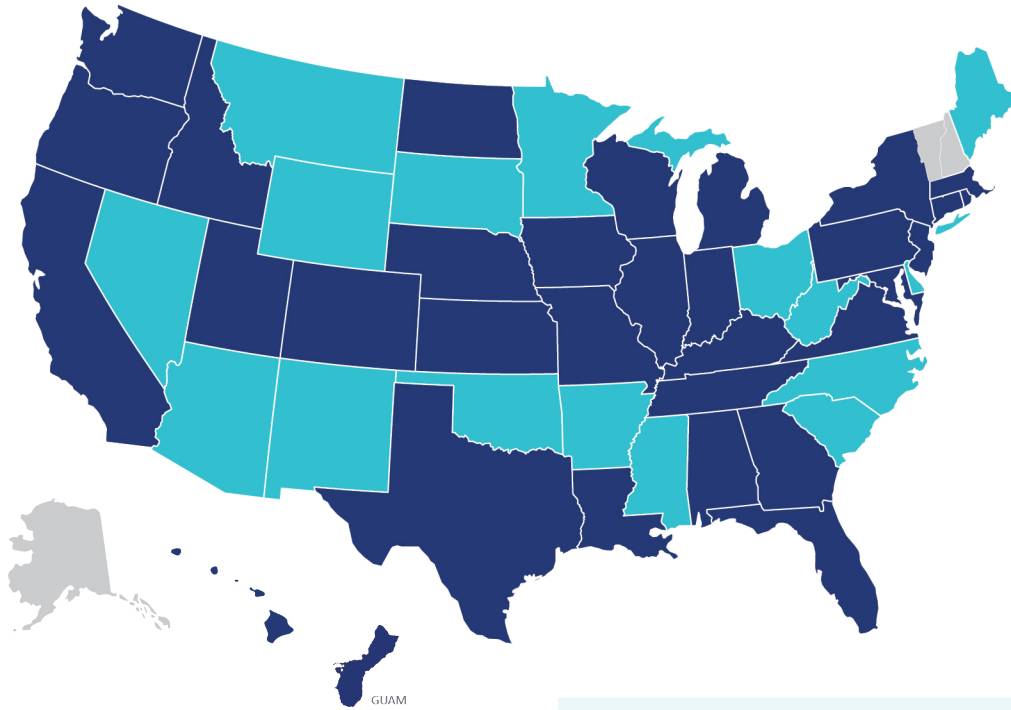


BABA WAIVER

The Build America, Buy America (BABA) act requires that all iron, steel, manufactured projects, and construction materials used in federally-financed infrastructure projects be produced in the United States. In May 2022, the WIFIA program issued a waiver to BABA requirements for projects receiving WIFIA financing that initiated project design planning prior to May 14, 2022. This waiver enables covered projects to continue work without delay while meeting regulatory requirements.

WIFIA PROGRAM HAS WORKED WITH COMMUNITIES IN

49 STATES AND TERRITORIES



● Selected project ● Letter of interest submitted

FISCAL YEAR 2022 PROJECT SELECTION

EPA INTRODUCES NEW PROCESS FOR PROJECT SELECTION

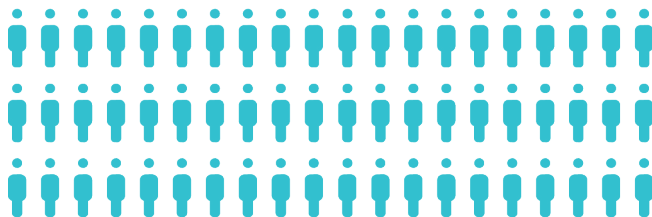
Beginning with its FY 2022 appropriation, the WIFIA program changed its project selection process to occur on an ongoing basis. This provides prospective borrowers year-round access to WIFIA financing and the flexibility to request funding based on their needs. In addition, they benefit from accelerated selection decisions by EPA. Prospective borrowers can now expect to receive a selection decision within four to six weeks following submission of their completed Letter of Interest.

———— BENEFITING ————

📍 **9 STATES** 📍

AND

11 MILLION PEOPLE



18

communities

have been invited to apply for

\$2.7B

in financing

utilizing approximately

35%

of WIFIA's FY 2022 appropriation

as of 12/31/22

BORROWER SPOTLIGHTS

WIFIA LOAN AMOUNT:

\$711M
(two loans)

NEW JERSEY INFRASTRUCTURE BANK

Statewide New Jersey



By borrowing from the WIFIA program, State Revolving Fund programs can expand their ability to offer additional low-cost financing to communities across their states and accelerate the implementation of important infrastructure projects. In 2022, the New Jersey Infrastructure Bank demonstrated this by closing two loans with the WIFIA program totaling over \$700 million. In May 2022, New Jersey Infrastructure Bank closed its first WIFIA loan for \$211 million, and in December, New Jersey Infrastructure Bank closed EPA's first State Infrastructure Financing Authority WIFIA (SWIFIA) loan for \$500 million. These loans are supporting a wide range of projects that will have a transformative impact throughout the state. The projects include lead line replacement, installation of PFAS filtration systems, contaminated groundwater remediation, residential and industrial water meter replacement, stormwater management and collections system modernization, and more. These efforts will directly benefit dozens of small, rural, and disadvantaged communities. Statewide, an estimated 10 million people will benefit from 167 projects to protect public health and water quality, manage stormwater, support compliance with regulatory requirements, and enhance climate change resiliency.

WIFIA LOAN AMOUNT:

\$135M

ORANGE COUNTY WATER DISTRICT

Fountain Valley, California



As WIFIA-financed projects complete construction, communities will begin receiving water quality and public health benefits as a result of modernized water infrastructure. For example, Orange County Water District's innovative Groundwater Replenishment System Final Expansion project protects the local environment and expands drinking water supply for 2.5 million local users. In fall 2022, it became the first WIFIA borrower to complete the construction of its WIFIA-financed project. With its \$135 million WIFIA loan combined with other funding sources, Orange County Water District expanded its Groundwater Replenishment System to increase its drought-proof drinking water supply and reduce the need for imported water. The completed project enables Orange County Water District to increase its treatment capacity from 100 to 130 million gallons per day, which is enough drinking water for nearly 1 million people. In addition, the project reduces secondary effluent from being discharged into the ocean by 40 million gallons per day.



The WIFIA loan has played a critical role in financing the Groundwater Replenishment System Final Expansion project," stated Orange County Water District Board President Cathy Green. "Federal funding and support of this project will help us achieve our goal of producing up to 130 million gallons of water a day, enough to serve nearly one million people in our communities. We appreciate the opportunity to work with the EPA, and the staff who administer the WIFIA program."

BORROWER SPOTLIGHTS

WIFIA LOAN AMOUNT:

\$315M

METRO WATER SERVICES

Nashville, Tennessee



Transformative water infrastructure projects require considerable time, effort, and funding to properly plan. Metro Water Services engaged the WIFIA program early in the design phase for its Process Advancements at Omohundro and K.R. Harrington Water Treatment Plants Project. By doing so, the utility accelerated the project's timeline. Metro Water Services faced similar challenges at both its existing drinking water treatment plants, including increased demand, emerging contaminants, and flood risks. With its WIFIA loan, Metro Water Services will make proactive system improvements to increase treatment capacity by 50%, mitigate flood risk, increase finished water storage, and protect against power failures. These efforts will improve Metro Water Services' resiliency to the climate change impacts and reduce flood risk for generations to come. In addition, Metro Water Services is installing a new filtration system that will improve drinking water quality by mitigating emerging contaminants, including PFAS, pharmaceuticals, and personal care products. In September 2022, the EPA closed a \$315 million loan to Metro Water Services to implement this project.



We are grateful to the EPA for awarding this WIFIA loan to Metro Water Services. The [projects] are the result of many years of strategic, long-term planning, and this WIFIA loan marks a milestone making these plans a reality for our community," said Metro Water Services Director Scott Potter. "Proper investment in infrastructure is necessary to ensure Nashville's ability to provide safe, clean, and reliable water and waste services to our community now and in the future.

WIFIA LOAN AMOUNT:

\$60M

CITY OF ENGLEWOOD

City of Englewood, Colorado



Two defining features of the WIFIA program are the broad range of eligible projects and the ability to combine multiple projects in one loan. This allows EPA to finance communities' priorities, giving them funding certainty over a five-year period. The City of Englewood, Colorado, which serves its ratepayers in a water-constrained and rapidly changing region, needs to complete several projects to improve its drinking water and wastewater system's resiliency and promote regulatory compliance. In April and May 2022, EPA announced two WIFIA loans to the City of Englewood, to support its One Water Modernization Program.

With these loans, The City of Englewood will modernize its wastewater and drinking water treatment and conveyance systems by making improvements to address aging infrastructure and installing redundancies to enhance the system's resiliency. To assure effluent quality complies with state limits for nitrates, they will implement chemical and ultraviolet treatment improvements. Englewood will also replace thousands of lead service lines, improve drinking water taste and odor, and augment raw water supply by 290 acre-feet of water per year. By pursuing a One Water approach to its water infrastructure, the City of Englewood is enhancing the resiliency of its community's water infrastructure.

ACCOMPLISHMENTS AS OF DECEMBER 2022

CLOSED 96 LOANS



TOTAL FINANCING
\$17 BILLION



TOTAL INFRASTRUCTURE INVESTMENT
\$36 BILLION



TOTAL SAVINGS
\$5 BILLION



FINANCING ADDRESSING LEAD, PFAS, AND EMERGING CONTAMINANTS
\$1 BILLION



TOTAL JOBS
122,000



FINANCING SUPPORTING CLIMATE CHANGE RESILIENCY
\$9.2 BILLION



1.1B GAL/DAY

WASTEWATER RECEIVING A HIGHER LEVEL OF TREATMENT BEFORE DISCHARGE TO WATERWAYS



180M GAL/DAY

DRINKING WATER RECEIVING A HIGHER LEVEL OF TREATMENT BEFORE DELIVERY TO APPROXIMATELY 1.2M PEOPLE



19.2M PEOPLE

PEOPLE RECEIVING MORE RESILIENT AND EFFICIENT DRINKING WATER AND WASTEWATER SERVICES

WASTEWATER
\$8 BILLION



DRINKING WATER
\$3 BILLION



WATER REUSE
\$3 BILLION



STORMWATER
\$1 BILLION



COMBINED*
\$2 BILLION



*Includes projects that have wastewater and drinking water components

LOANS CLOSED FROM JANUARY TO DECEMBER 2022

City of Boise	\$263 million	DeKalb County	\$284 million
City of Chattanooga	\$186 million	Helix Water District	\$18.9 million
City of Englewood (Wastewater)	\$21 million	Howard County	\$75 million
City of Englewood (Water)	\$38 million	Inland Empire Utilities Agency	\$120 million
City of Gresham	\$34 million	Johnson County Wastewater	\$281 million
City of Joliet (Loan 1)	\$87 million	Medford Water Commission (Loan 1)	\$27 million
City of Joliet (Loan 2)	\$221 million	Medford Water Commission (Loan 2)	\$69 million
City of Oxnard	\$48 million	Metro Water Services	\$315 million
City of Pflugerville	\$52 million	Narragansett Bay Commission	\$55.5 million
City of San Diego	\$225 million	New Jersey Infrastructure Bank (Loan 1)	\$221 million
County Sanitation District No. 2 of Los Angeles County	\$441 million	New Jersey Infrastructure Bank (Loan 2)	\$500 million
		Rockwood Water People's Utility District	\$30 million