



**SPRINGFIELD WATER AND SEWER COMMISSION
P.O. BOX 995, SPRINGFIELD, MA 01101**

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FOR IMMEDIATE RELEASE

**Springfield Water and Sewer Commission Advances to Final Round
to Secure \$251 Million Low-Cost Federal Water Infrastructure Loan**

Funding from EPA's WIFIA Program Will Support Local Water Infrastructure Investment

The Springfield Water and Sewer Commission (Commission) is pleased to announce that as part of a nationally competitive selection process, the United States Environmental Protection Agency (EPA) has invited the Commission to apply for a \$251 million loan to finance its comprehensive capital improvement plan (CIP) as part of its WIFIA Program.

The WIFIA Program was established by the Water Infrastructure Finance and Innovation Act (WIFIA) of 2014. Administered by EPA, WIFIA loans are intended to accelerate regionally and nationally significant water infrastructure projects. The long-term, low-cost supplemental loan will provide significant cost savings and flexibility to the Commission's five-year, \$500 million CIP, supporting rate stability and accelerating critical water infrastructure investment. The Commission's proposal was among the largest selected nationally, and was elevated by the strength of the Commission's financial position.

WIFIA Financing Supports Rate Stability

The WIFIA loan would provide the Commission with a large, stable source of financing for critical water infrastructure projects planned within the first five years of its comprehensive CIP. WIFIA loans offer terms up to 35 years, and financing rates are lower than any other available loan instruments. Uniquely flexible loan terms would also allow the Commission to schedule repayment in coordination with the entirety of planned rehabilitation, replacement, and upgrades to the Commission's drinking water and wastewater systems over the next two decades. Future rate increases thus will be made more predictable over a longer timeframe.

"We are proud to advance to the next round among such a competitive national field for this program," said Josh Schimmel, Executive Director. "Knowing what a benefit WIFIA would be in providing rate stability for our customers, we aggressively pursued this funding to move forward with our innovative



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CIP. We are facing an unprecedented need for investment in our century-old drinking water and wastewater system. WIFIA financing will support the Commission in pursuing critical system upgrades to continue to provide reliable service and satisfy changing regulations while lessening the overall financial impact on our customers.”

The Commission will submit its application for the final round in February.

Finances Critical Project Upgrades

A unique aspect of the WIFIA Program is that all types of water, wastewater, and regulatory compliance projects are eligible. Typically, any financing available for these categories of projects must be pursued from different types of entities with varying eligibility, requirements, and rates. WIFIA financing allows for a comprehensive and holistic approach to infrastructure renewal that enables the Commission to leverage its sound financial position and traditional funding sources. In addition, WIFIA prioritizes projects and programs that are already or close to shovel-ready. Projects in the Commission’s comprehensive five-year CIP are all in advanced stages of planning, design, or under construction.

One project that would be supported with WIFIA financing includes upgrades to the West Parish Filters Water Treatment Plant. The plant was last modernized in 1974 and has experienced challenges meeting current regulations related to disinfection byproducts (including HAA5) due to its 1970s technology. To permanently resolve these issues, a new water clarification treatment process and filtration upgrades are included in the five-year capital plan that would be financed by the WIFIA funding.

In addition, WIFIA financing would support other upgrades to the wastewater treatment plant and water and wastewater distribution and collection systems.

About the Springfield Water and Sewer Commission

The Springfield Water and Sewer Commission is an independent, regional public utility that provides drinking water and wastewater service to approximately 250,000 people in the lower Pioneer Valley.

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