



EPA Announces \$131 Million WIFIA Loan for PFAS Treatment and Removal Systems in Orange County, California

Nationally, 57 WIFIA loans are financing over \$23 billion in water infrastructure upgrades, creating 63,000 jobs

WASHINGTON (August 25, 2021) — Today, the U.S. Environmental Protection Agency (EPA) announced a \$131 million Water Infrastructure Finance and Innovation Act (WIFIA) loan to the Orange County Water District (OCWD) to help remove per- and polyfluoroalkyl substances (PFAS) from drinking water sourced from local groundwater. By helping finance this project, EPA's WIFIA loan will protect public health from PFAS while reducing reliance on imported water for 2.5 million residents in Orange County.

“At EPA, tackling PFAS pollution and safeguarding public health is a top priority. This investment in water infrastructure will address PFAS in drinking water while revitalizing water supplies that are essential in a drought-prone area,” **said EPA Administrator Michael S. Regan**. “This innovative project will be good for the local economy and result in a safer water supply for Orange County and improved water quality for residents.”

OCWD's PFAS Facilities Treatment Project is ensuring a safe and reliable drinking water source by building water treatment plants within the county. In 2020, dozens of wells that pump water from the Orange County Groundwater Basin were removed from service after the state of California lowered the Response Level advisories of two PFAS chemicals, perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS).

Consequently, local water suppliers had to rely on more costly and less reliable imported water from Northern California and the Colorado River in order to meet the needs of their customers. Under this project, thirty-five PFAS treatment systems for 59 impacted wells operated by 11 cities and retail water districts within OCWD's service area are being designed, permitted, and constructed within two years. The project will improve drinking water quality by removing PFOA and PFOS found in groundwater supplied by the wells.

“OCWD is committed to proactively and swiftly addressing PFAS that have been detected in local groundwater supplies,” **said OCWD President Steve Sheldon**. “Our staff have done an outstanding job responding to this critical water quality issue by expediting the design and construction of the PFAS treatment facilities.”

The \$131 million WIFIA loan is expected to finance nearly half of all up-front project costs, which are currently estimated at \$267 million. The remaining up-front project costs will be funded by borrower cash. This WIFIA loan is expected to save OCWD approximately \$26 million over alternative financing options. Project construction and

operation are expected to create an estimated 800 jobs and construction is expected to be completed by spring 2023.

With this WIFIA loan closing, EPA has announced 57 WIFIA loans that are providing nearly \$11 billion in credit assistance to help finance approximately over \$23 billion for water infrastructure while creating approximately 63,000 jobs and saving ratepayers over \$4 billion.

Background

Established by the Water Infrastructure Finance and Innovation Act of 2014, the WIFIA program is a federal loan and guarantee program administered by EPA. WIFIA's aim is to accelerate investment in the nation's water infrastructure by providing long-term, low-cost supplemental credit assistance for regionally and nationally significant projects. The WIFIA program has an active pipeline of pending applications for projects that will result in billions of dollars in water infrastructure investment and thousands of jobs.

For more information about the WIFIA program, visit: <https://www.epa.gov/wifia>.