# Replacing lead drinking water pipes in Superior

## Current state law excludes SWL&P customers from important financial assistance; seeking your support to amend statute

#### The issue

Superior Water, Light & Power is working to replace lead water pipes to protect public health.

Financial assistance for pipe replacement is available from the Environmental Protection Agency's (EPA) block grants through the Drinking Water State Revolving Fund (DWSRF). Funds have been allocated to each state for water utility customers to receive a portion of what it will cost to replace service lines on their property, but Wisconsin state law prohibits privately-owned utilities from providing this "principal forgiveness." SWL&P is the only private owner of a community water system in Wisconsin.

#### The impact on SWL&P and its customers because of this exception in the law is significant.

- Customers are responsible for replacing service lines from the curb stop to their home and the replacement cost is estimated to average about \$10,000.
- Principal forgiveness from the DWSRF could save customers approximately 50% of this cost.
- Under the current statute, s.281.61(2r)(e), SWL&P customers can't access the financial benefit available to customers of the state's other drinking water providers.
- Without DWSRF funds, the cost to offset a portion of service line replacement would be recovered through rates, resulting in higher water rates for customers.

#### **Our solution**

Amend the law to allow a privately-owned company to use principal forgiveness for lead service line replacement. The water utility is the only utility operated by SWL&P that does not qualify for federal funding due to state statute. Electric and gas customers have and continue to benefit from federal funding opportunities through those utilities.

We are seeking support from stakeholders and legislators to advance legislation to amend s.281.61(2r)(e) and allow lead line service replacement forgiveness for privately-held water utilities. This would make SWL&P eligible to apply for EPA block grant funding through the WI DNR.

A straightforward change in the state statute would allow SWL&P to receive the funding that ultimately helps people that need it in the Superior community.





### Support for amending the statute

- Acton Inc.
- APEX (Area Partnership for Economic Expansion)
- Citizens Utility Board of Wisconsin
- Dairyland Power Cooperative
- International Brotherhood of Electrical Workers Local 31
- Laborers International Union of North America Local 1091
- Leah Hollenbach, Local Real Estate Professional
- Northern Wisconsin Building Trades
- Superior Business Improvement District
- Superior-Douglas County Area Chamber of Commerce
- Wisconsin Building Trades Council
- Wisconsin Manufacturers & Commerce
- Wisconsin Utilities Association

#### **About Superior Water, Light & Power**

Superior Water, Light & Power provides electricity, water and natural gas and has served Superior and northwestern Wisconsin since 1889. We employ about 100 people, many of whom are members of IBEW Local 31, and are a wholly owned subsidiary of ALLETE Inc., an energy company based in Duluth, Minnesota.



#### **ELECTRICITY**

We deliver more than 50% renewable energy to 15,000 customers in Superior and surrounding communities. By purchasing electricity at wholesale prices, we are able to combine reliable service with rates that are among the lowest in Wisconsin.

#### **NATURAL GAS**

We provide natural gas service to 13,000 customers in Superior and surrounding communities. Our natural gas system is connected to two interstate pipelines, providing enhanced reliability and competitively priced rates compared to other fuel sources.

#### WATER

Lake Superior is the source of water that we deliver to 10,000 customers in the city of Superior and surrounding communities. Our thorough treatment process provides clean, safe drinking water that is pumped via our distribution mains to homes.

#### Who to contact for more information



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