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Department of Administration
Attn: Andrew Potts
P.O. Box 7932
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Submitted via email to DOAPhosphorusBBZ@wisconsin.gov

*Re: League of Wisconsin Municipalities Comments on the Phosphorus Multi-Discharger Variance*

Mr. Potts,

The League of Wisconsin Municipalities (League) appreciates the opportunity to submit written comments on the draft Phosphorus Multi-Discharger Variance (MDV) Package and express our strong support for the preliminary decision that reauthorization of the MDV should be pursued.

Wisconsin's cities and villages are leaders in environmental protection, with the workers from the more than 600 municipal wastewater treatment facilities (WWTFs) that hold Wisconsin Pollution Discharge Elimination System (WPDES) permits being some of the state's most committed professionals to water quality conservation. While the need to protect the environment from excess phosphorus overloads is evident, there is also a necessity to ensure that goal is balanced with technological and economic feasibility. This is especially important as Department of Natural Resources' (DNR) estimates have shown that less than one-fifth of all phosphorus loading is due to point source dischargers.

The MDV is one important option to help municipalities find more economical ways to comply with ratcheted WPDES effluent reduction requirements while ensuring regional water quality sees continued improvement. In the DNR's *Highest Attainable Condition Review of Wisconsin's Multi-discharger Phosphorus Variance* report from February 2022, their analysis found that phosphorus loading reductions were 18,965 pounds per year less than would have been achieved through individual variances. This represents a 15% greater overall reduction in phosphorus discharges.

Municipalities throughout the state, but primarily those in more economically disadvantaged areas have chosen alternative compliance measures for WPDES compliance. Not only does this include the municipal WWTFs that have chosen the MDV for permit compliance, but this also includes municipal WWTFs that have pursued the less common, yet still critical methods of party-to-party water quality trades, adaptive management, individual variances, and the newest option, third-party water quality trades. By a sizable margin, WPDES permit holders have chosen the MDV for permit compliance when capital upgrades are presently infeasible and an exceedance of new effluent limits is found. This includes the 130 municipal WWTFs that have previously or are currently utilizing the MDV.

To ensure improvements to the environment without substantial impediments to the operations of municipal WWTFs, we need every tool in the toolbox available to Wisconsin's cities and villages for alternative permit compliance measures. The MDV is a particularly effective option as it provides a more standardized and uniform method for seeking the permit variance, helping to reduce municipal staff time and compliance costs. This streamlined process also reduces the burden on DNR staff, which have previously experienced backlogs of WPDES permits for municipalities and others at least in part due to the increasing complexity of individual permits with more individualized compliance options.

The Department of Administration's (DOA) *Economic Impacts of Wisconsin's Phosphorus Regulations: An Updated Determination* report from last month further builds on the evidence that the phosphorus MDV is an effective and important tool to continue controlling municipal costs without environmental harm. Absent the reauthorization of the MDV, more than $900 million in projected capital expenditures will be seen, a figure which could rise above $1 billion with financing costs included. Approximately 72% of these capital costs will be incurred by municipalities, and this extensive capital project need will cause substantial upticks to sewer ratepayers in communities throughout the state. Municipalities not presently utilizing the MDV may even experience the impacts if reauthorization is not granted due to the projected loss of 1,341 jobs and $209.9 million in gross state product.

Summarizing, the phosphorus MDV has been found to be more environmentally protective than other alternative compliance methods while providing the time necessary for municipal WWTFs to undergo facility upgrades that will be needed to comply with the stringent 2010 phosphorus effluent limitations. The League strongly supports DOA's preliminary decision to seek reauthorization of the phosphorus MDV, and requests that the preliminary decision not be amended prior to submittal of the Package to the Environmental Protection Agency.

Once again, the League of Wisconsin Municipalities appreciates the opportunity to submit comments strongly in support of the draft Phosphorus Multi-Discharger Variance Package and preliminary decision. Please do not hesitate to reach out with any questions or requests for clarification.

Sincerely,

*Toni Herkert*

Toni Herkert
Government Affairs Director
League of Wisconsin Municipalities