

# **ECONOMIC AND ENVIRONMENTAL BENEFITS OF VIRGINIA'S PARTICIPATION AND FUNDING**

## **Interstate Commission on the Potomac River Basin**

ICPRB is an interstate compact agency created by individual statutes of its member jurisdictions (Commonwealths of Pennsylvania and Virginia, States of Maryland and West Virginia, and District of Columbia) approved by the U.S. Congress in 1940, to include participation of the Federal Government. In the Compact, and in the individual statutes, ICPRB is an "agency of its signatories." The Potomac basin, which consists of all of the area drained by the Potomac River and its tributaries, is under jurisdiction of the Commission.

**ICPRB Functions:** *Collaborative watershed-based management, in cooperation with its members, for water quality and quantity issues in the Potomac River basin, is its aim.*

As a non-regulatory agency, the Commission promotes ways to stop stream pollution and conserve and wisely use water and associated land resources in the basin through regional and interstate cooperation. The ICPRB Section for Cooperative Water Supply Operations on the Potomac River (CO-OP) provides technical and managerial services to coordinate drought-related operations of the major public water supply utilities of Maryland, Virginia, and the District of Columbia in the Washington Metropolitan Area (Water Supply Coordination Agreement of July 22, 1982), and participates in planning to ensure adequate water supplies into the future.

**ICPRB Focus:** *The Commission promotes watershed-based initiatives with an intergovernmental focus and educates the public about water quality and resources issues.*

Its operations are outside the framework of state agency structures and are distinct from state programs, but frequently support and multiply the impact of state programs. The ICPRB has an intergovernmental focus seeking cooperative projects and programs for the basin and serving as a coordinating mechanism for its members. It develops projects for and with the members and tries to match staff and program responses to the needs of the basin. The Commission provides a platform for the jurisdictions to use watershed-based planning and management that can achieve water resources goals efficiently and in a comprehensive, coordinated manner.

### **Fiscal Year 2011 ICPRB Projects Directly Benefitting Virginia**

ICPRB Coordinated American Shad Restoration Program	\$ 15,500
ICPRB Participation as a member of the Department of Environmental Quality James River Study Advisory group	4,000
Tidal Potomac continuous monitoring data analysis	42,000
Chesapeake Bay Restoration Efforts	62,500
Watershed Implementation Plan Modeling	170,000
EPA Section 106 Water Quality Grant, Va Estimate	<u>235,000</u>
<b>TOTAL COST BENEFIT TO VA</b>	<b>\$ 529,000</b>

As can be seen, Virginia's investment in ICPRB more than pays for itself as it is greatly leveraged with federal and ICPRB funds. In some prior years, when ICPRB was coordinating projects such as the Tidal Potomac PCB TMDL, the rates of return for Virginia were even greater. Information on the following page highlights some particular projects that benefit Virginia.

**If Virginia pulls out of the ICPRB to save \$151,500, it will cost Virginia the**

**\$529,000 listed above. A more detailed explanation of benefits follows.**

**VIRGINIA FUNDING NECESSARY TO UNDERTAKE OTHER GRANTS AND PROJECTS**

In FY2011, signatory contributions were approximately 17% of total revenue (approximately \$2.9 million). Virginia's contribution, based on a formula agreed upon by the jurisdictions pursuant to the Compact, is 31.3% (\$151,500) of the revenues collected from the jurisdictions, but is about 5% of the total ICPRB budget. The estimated base funding expended for/in/with a Virginia focus includes about \$300,000 in federal grant funds, and about \$80,000 for CO-OP supplied by utilities. Although a relatively small part of its total budget, the signatory contributions to the Commission are critically important for two reasons. First, many grants require a local cost-share contribution which ICPRB can satisfy only with those signatory contributions. Without the ability to provide a cost-share, ICPRB and its member states lose the larger grant amounts that could be applied to protecting and improving water resources in the interstate basin. Second, the **signatory contributions provide ICPRB with flexibility to respond**, without waiting for grant support, to new issues and specific requests from state agencies for technical assistance.

**VIRGINIA MEMBERSHIP ENHANCES SIGNIFICANT FEDERAL FUNDS THAT IMPACT THE ENTIRE BASIN**

The U.S. Environmental Protection Agency (EPA) provides a Water Quality Management Grant (Section 106, Clean Water Act) that annually appropriates to the states, Indian Tribes, and to six interstate basin commissions (including ICPRB), with the commissions receiving 2.6% of this funding through a formula incorporated in the Code of Federal Regulations. The share of funding provided to ICPRB is in large part based upon its signatory jurisdictions. If Virginia withdraws from the Compact, EPA will reduce ICPRB's share of the federal funds by more than \$200,000. Those funds would be re-distributed to the other five basin commissions at a loss not only to Virginia, but to the all ICPRB member jurisdictions.

**VIRGINIA PARTICIPATION KEY ELEMENT IN WATER SUPPLY MANAGEMENT FOR POTOMAC BASIN**

With its reliance on the Potomac for drinking water supply, Virginia's participation in the ICPRB provides the Commonwealth with a voice both in general ICPRB direction, and in ICPRB's CO-OP Section, which helps guide water supply and drought management planning, and regional water policy, and provides technical assistance to water utilities serving much of Northern Virginia (Fairfax Water is a CO-OP Section participating utility; Loudoun Water may increase participation in the near future). **Withdrawal from the Commission, and with it, from CO-OP, will eliminate Virginia's seat at the table** at a time when water resources are becoming an even more important aspect of the strong growth occurring in the region.

**VIRGINIA WILL LOSE INPUT ON WATER MANAGEMENT ISSUES**

As Virginia contemplates withdrawal from the ICPRB Compact, it should be noted that the creation of the Commission in 1940 by Virginia and the other jurisdictions came with the realization that the problems of water quality and water resources management of shared interstate waters and tributaries could not be effectively addressed without the efficiency that collaborative efforts of all members provide then and now. Project efforts by ICPRB seek to avoid duplicating jurisdiction actions, while providing significant value added for the funds expended. **As conflicts increase on multiple water resources issues, cooperative efforts will yield greater benefits than crisis management and action in the courts.**

**VIRGINIA'S ICPRB MEMBERSHIP IS NOT A REGIONAL ISSUE AND ICPRB SERVICES ARE UNIQUE**

The basin served by ICPRB ranges from the West Virginia border to include northern Virginia and the entire Shenandoah River drainage, and is home to nearly 36% of Virginia's population. In addition, services provided by ICPRB are not duplicative of those offered by other organizations. Virginia will have to hire new staff or contract out for services provided uniquely by ICPRB to Virginia agencies.