



U.S. ENVIRONMENTAL PROTECTION AGENCY
OFFICE OF WASTEWATER MANAGEMENT

Fiscal Year
2006



OWM Accomplishments Report



Message from the Director

December 31, 2006

I'm pleased to present the *Fiscal Year 2006 Performance Report*. This report is an overview of the Office of Wastewater Management's (OWM) programmatic performance during FY 2006. It highlights some of the more significant initiatives and achievements for the year.

With the help of our partners, including state and local governments, tribes and non-government organizations, OWM management has made great progress in meeting the goals of the Office of Water and the EPA.

I would like to personally thank Jane Moore, former OWM Deputy Director for her leadership, foresight and exemplary service to this Office. Her sage advice and direction are reflected in many of the results highlighted in this report.

Jim Hanlon
Director
Office of Wastewater Management

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OWM Mission

To help meet the nation's clean water goals by ensuring that appropriate regulatory standards, voluntary management approaches, information, financial resources, and technical assistance are provided to states, communities, and regulated entities.

About the Office of Wastewater Management

Cleaning and protecting the nation's water from the effects of pollution is an enormous task. The Office of Wastewater Management (OWM) and its staff of more than 120 employees embrace that challenge by promoting effective and responsible water use, treatment, disposal and management, and by encouraging the protection and restoration of watersheds. OWM implements a wide range of programs contributing to public health and to the well-being of the nation's waters and watersheds.

Remarkably, OWM accounts for more than \$1.4 billion or nearly one-fifth of the EPA's Budget. Through its programs and initiatives, OWM promotes compliance with the requirements of the Clean Water Act (CWA). Under the CWA, OWM works in partnership with EPA's regions, states, local governments and tribes to regulate point source discharges into surface waters such as wetlands, lakes, rivers, estuaries, bays and oceans. The office helps finance water quality protection projects for wastewater treatment, nonpoint source pollution control, and watershed and estuary management. OWM is committed to helping ensure that our Nation's water resources will be available for future generations.

Organization and Leadership

Office of Wastewater Management

James A. Hanlon, Director

Judy S. Davis, Deputy Director

Planning, Information & Resources Management Staff

Len Bechtel, Director

Municipal Support Division

Sheila Frace, Director

Sylvia Bell, Deputy Director

Municipal Assistance Branch - Benjamin Hamm, Chief

Municipal Technology Branch - Phil Zahreddine, Chief

State Revolving Fund Branch - George Ames, Chief

Water Permits Division

Linda Boornazian, Director

Elaine Brenner, Associate Director

State/Regional Branch - Tom Lavery, Chief

Municipal Branch - Donald Brady, Chief

Rural Branch - Allison Wiedeman, Chief

Industrial Branch - Deborah Nagle, Chief

Our Partners

- EPA Regional Offices
- State, Interstate, Tribal and Local Programs
- Water and Wastewater Agencies
- Water Utilities
- Private Industry
- Regulated Community
- Academic Institutions
- Non-government Organizations
- Private Citizens

Integrity...

OWM prides itself on the fiscal and scientific integrity of its staff, programs and research.

Efficiency...

Through strategic planning, prioritizing and establishing realistic goals, OWM has a successful track record of delivering impressive results.

Results...

Setting realistic goals and reaching or surpassing those goals is the cornerstone of OWM's strategic plan. The program has nine distinct results areas that support the overall mission of the Office.

Results Areas

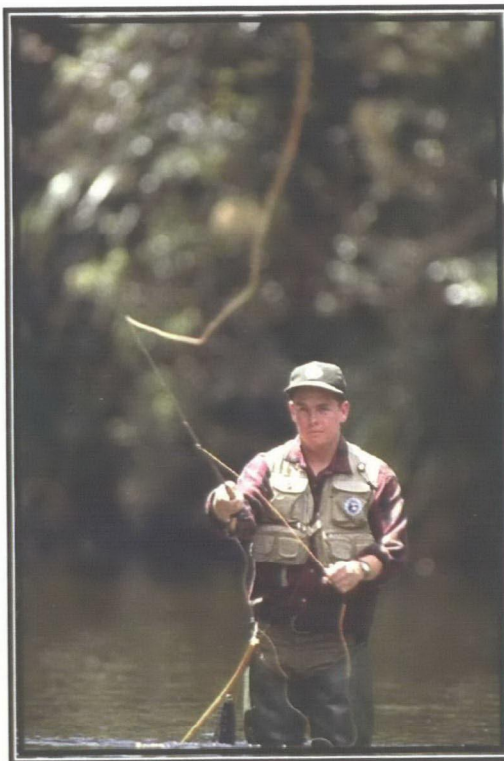
- Clean Water State Revolving Fund
- Rural
- Sustainable Infrastructure
- Wet Weather / Stormwater
- State & Regional
- State & Tribal Capacity Building
- Industrial
- Sustainable Communities
- OWM Resources and Communication

How We Do Our Work

OWM consists of an Immediate Office of the Director, the Water Permits Division (WPD), the Municipal Support Division (MSD) and the Planning, Information and Resources Management Staff (PIRMS).

MSD conducts activities related to the national management of the Clean Water State Revolving Fund (CWSRF) programs, assistance to small communities and Indian tribes, and special appropriations acts (including Colonias and Alaska Native Villages). The division also maintains and regularly updates inventories and cost estimates of existing and needed future municipal wastewater treatment works and capital investments to meet the goals of the CWA.

WPD provides national program direction to the National Pollut-



ant Discharge Elimination System (NPDES) permit, pretreatment, and sewage sludge management programs under sections 401, 402, and 405 of the Clean Water Act, including: development of regulations, policy and guidance, development of national strategies, implementation management, compliance assurance and overview of regional and State operations. The Division also coordinates with the Office of Science and Technology (OST) in the development of national standards for point source controls, indirect dischargers, and sludge use and disposal.

Cross-cutting Strategies

- External Stakeholder Relationships
- Internal Stakeholder Relationships
- Research
- Information Technology / Administrative Processes
- Measures

Highlights — 2006 Results

- Issued (nationally) approximately 98% of **Priority Permits** targeted for FY06. OWM has initiated an evaluation of the environmental significance of the permit selection process, and will enhance the tracking and priority permit selection web site.
- Issued a proposed **Guidance for Peak Flow Management** at publicly owned wastewater treatment plants served by separate sanitary sewer systems. The guidance will provide a framework that enhances environmental protection, considers municipal costs and increases public information.
- Announced the **WaterSense** voluntary water efficiency program that will make it easy for consumers to find products and services that save water while ensuring product performance. The program also released its first product specifications for landscape irrigation professionals.
- Signed a "Statement of Intent" with six major water utility trade associations in addition to other successful initiatives under the **Sustainable Infrastructure Initiative**. Also signed a memorandum of understanding with the Federal Highway Administration to jointly pursue asset management activities.
- Issued **Tribal Water Quality** grant guidance that sets clear expectations for Tribal water quality activities and establishes key reporting requirements to focus activities on environmental results.
- Made significant improvements in the management of the **Alaskan Native Village Program** resulting in a re-PART rating of "adequate" based on a score of 56% (up from a rating of "ineffective" based on a prior score of 31%). With 18 projects the ANV Program provided first-time access to basic water and sanitation for 3,050 homes.
- Improved linkages of the \$55 billion **Clean Water State Revolving Fund (CWSRF)** program to the Agency budget and Strategic plan through completion of a logic model, development of improved PART measures under review by OMB, and voluntary agreement by all 51 State and territory CWSRF programs to provide environmental benefits information to track progress against those measures.

Our Work

- The NPDES Permit Program
- Clean Water State Revolving Fund (CWSRF)
- Clean Watersheds Needs Survey
- Sustainable Infrastructure
- WaterSense – water efficiency program
- Onsite/Decentralized Wastewater Systems Program
- Innovative Management Systems (EMS, Asset Management, CMOM, etc.)
- Infrastructure Grants (Congressional Earmarks)
- Outreach, Technical Assistance, and Training Programs
- State and Tribal Program Assistance (CWA Section 106)
- Small Communities
- U.S./Mexico Border
- Wastewater Treatment Technologies
- Water Quality Cooperative Agreements (104(b)(3))

PISCES Awards

The Performance and Innovation in the SRF Creating Environmental Success (PISCES) Awards were created in 2005 to recognize the extraordinary successes of the States' Clean Water Revolving Fund (CWSRF) programs. The PISCES Awards highlight successfully designed projects that further the goal of clean and safe water with exceptional planning, management, and financing.

The 2006 PISCES Awards were announced at the annual conference hosted by the Council for Infrastructure Financing Authorities (CIFA) on November 13, 2006 in Philadelphia, PA. "Outstanding projects" that utilized CWSRF funds were showcased. The first PISCES Awards were presented to "outstanding state SRF programs."

Environmental Benefits

In 2005, all CWSRF programs agreed to use a suite of environmental indicators to show how their CWSRF projects impact water quality and public health. All 51 CWSRF programs are now using the Environmental Benefits One-Pager for reporting the benefits of their 2006 loans. States and EPA can now link assistance to Clean Water Act goals such as swimming areas protected and fisheries restored.

Clean Water State Revolving Fund



Clean Water
State Revolving Fund

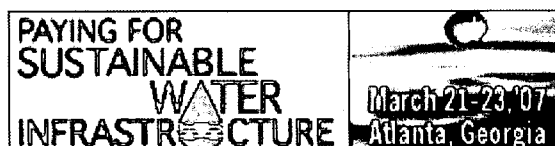
Clean Water State Revolving Fund (CWSRF) programs provided more than \$5 billion in 2006 to fund water quality protection projects for wastewater treatment, nonpoint source pollution control, and watershed and estuary management. CWSRFs have funded over \$52 billion, providing over 16,700 low-interest loans to date. CWSRFs offer: low interest rates, flexible terms; significant funding for nonpoint source pollution control and estuary protection; assistance to a variety of borrowers; and partnerships with other funding sources.

High Return on Federal Investment

The ratio of CWSRF project disbursements (i.e., total cash out to pay invoices) compared to total federal outlays for projects (cash drawn from federal funds) is a measure of return on the federal investment to date. Currently 2.12, as compared to 2.05 for 2004, the return on federal investment is growing and will continue to grow due to the revolving nature of the CWSRF program.

Paying for Sustainable Water Infrastructure: Innovations for the 21st Century

The program has finalized plans for a national conference that will bring together stakeholders from all levels of government and the private sector to explore creative methods to pay for sustainable water infrastructure in addition to the SRF programs. It is the first of its kind to address the challenge of integrating the many diverse tools and strategies to pay for sustainable water infrastructure.



Extended Finance Policy

EPA reaffirmed the CWSRF Extended Finance Policy in March 2006. The policy allows states to purchase or refinance municipal debt through Clean Water SRF funds with terms exceeding 20 years.

Annual Report

OWM issued its second Annual Report on the CWSRF Program in February 2006. It provides a brief overview of the program's activities and accomplishments during the last fiscal year. The Report highlighted CWSRF Benefits Reporting, a project that links CWSRF assistance with Clean Water Act goals. It also recognizes the innovative ideas of state CWSRF programs, and includes an update on financial performance.

Rural Program

The Rural Program strives to protect and improve water quality by developing and implementing NPDES programs that target rural areas and rural populations. The program develops regulations and policies; develops technical implementation guidance and outreach for EPA Regions, states and the general public. Significant achievements in 2006 include:

CAFO Rulemaking

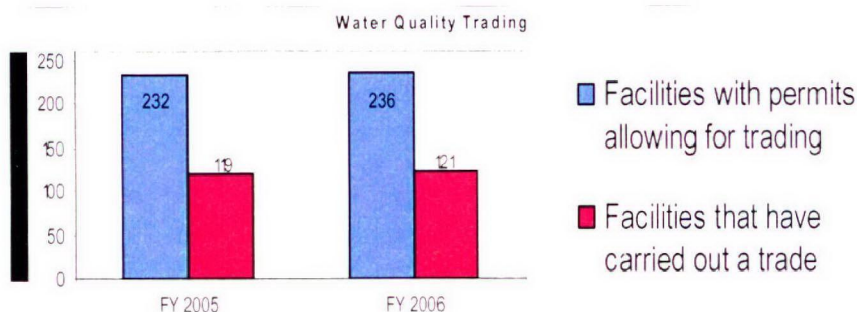
EPA issued a proposed rulemaking that revises several parts of EPA's National Pollutant Discharge Elimination System (NPDES) and Effluent Limitation Guidelines for concentrated animal feeding operations (CAFOs) in June. The rulemaking was in response to the order issued in *Waterkeeper Alliance et al. v. EPA*, (2nd Cir. 2005). The rule furthers the statutory goal of restoring and maintaining the nation's water quality and effectively ensuring that CAFOs properly manage manure generated by their operations. Seven public meetings and a webcast with 250 attendees were held to seek comments from interested parties across the country. More than 1200 comments were received. The rule is expected to be finalized by 2007. A "mini rule" to extend two compliance deadlines established by the 2003 CAFO rule was also proposed and finalized within a record two month period.

Water Transfers Rulemaking

On June 1, EPA proposed a rule that clarifies that permits are not required for transfers of water from one body of water to another. Such transfers include routing water through tunnels, channels, or natural stream courses for public water supplies, irrigation, power generation, flood control, and environmental restoration. The rulemaking was placed on an expedited schedule.

Aquatic Pesticides Rulemaking

EPA issued a proposed and final rule clarifying EPA's longstanding policy that an NPDES permit is not required where application of a pesticide to, over, including near waters of the United States is consistent with requirements under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). The rule was signed by the Administrator in November 2006. The rule is intended to clarify whether an NPDES permit is needed given several court cases on this issue.



2nd National Water Quality Trading Conference

The Trading Conference, held in Pittsburgh, PA, in May was very successful and well attended with 295 attendants representing over 25 states, 40 non-government organizations, 20 universities, 4 federal agencies and 5 countries.

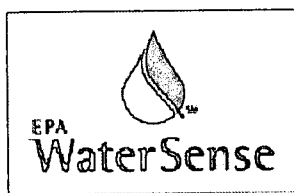
During the conference, the USDA Natural Resources Conservation Service (NRCS) and the EPA Office of Water announced the development of a memorandum of understanding (MOU) to establish viable water quality credit trading markets. The NRCS and EPA OW collaboration will allow EPA and USDA to closely coordinate on promotion of viable trading arrangements between agricultural entities and regulated point sources.

Trading Tools

OWM developed a one-day water quality trading course for regulators, the public, and the agriculture community. It was presented for the first time at the May Conference. A training Webcast was also held in September 2006 to explain how to apply for the Targeted Watersheds Grant program. Also developed a draft trading toolkit to help incorporate trading into NPDES permits.

Water Efficiency

EPA Administrator, Steve Johnson, announced OWM's new water efficiency program designed to educate American consumers about making smart water choices that save money and maintain high environmental standards without compromising performance.



The program aims to raise awareness about the importance of water efficiency, ensure the performance of water-efficient products and provide good consumer information. The WaterSense label will be easily identified on products and services that perform at least 20 percent more efficiently than their less efficient counterparts.

The Program is projected to save 128 billion gallons of water per year — based on a 10% market penetration for initial products: high efficiency toilets, faucets, and weather-based irrigation controllers.

The WaterSense program advances President Bush's cooperative conservation goals through education, not regulation. Implementation of a five-year operational plan is underway. More information about the program is available on the OWM website at epa.gov/watersense.

Sustainable Infrastructure Initiative

Our Nation's water infrastructure systems are aging and many will be reaching the end of their useful lives in the next 20-40 years. To keep pace with infrastructure needs of the future, OWM is focusing efforts on the *Four Pillars of Sustainable Infrastructure* — better management, full cost pricing, water efficiency, and watershed approaches. Using the tools of technology, innovation, and collaboration, we are committed to helping ensure that our water resources will be available for future generations.

Sustainable Management — Developed and signed a "Statement of Intent" with six major water utility trade associations to promote sustainable management systems. EPA and the associations are refining a utility sector list of "attributes" of sustainably managed systems and developing a "joint strategy" to promote sustainable management, in addition to other initiatives. We also will develop measures to gauge utility effectiveness, and develop a strategy to promote widespread adoption of sustainable management practices across the water sector. Focus groups are also helping to develop effective messaging.

Asset Management — OWM provides training primarily designed to meet the Advanced Asset Management training needs of water and wastewater utility CEOs and senior level personnel. EPA's reputation for excellence in this training is recognized by other Federal Agencies. We have now reached over 2,100 participants. Trainings were held during 2006 in Florida, Iowa, Maine, Massachusetts Michigan Nevada New York, North Carolina, Texas and Washington.

OWM signed a memorandum of understanding with the Federal Highway Administration to jointly pursue asset management activities — giving OWM greater access to FHA tools and resources.

We also worked with our partners to produce new tools including WERF's on-line asset management training tool, GETF's EMS Wastewater Handbook for the Public Water Sector; and TEAMS (Total Electronic Asset Management System), an asset management tool for small utilities.

Clean Water Needs Survey 2004 — Completed the Report to Congress (currently under review with OMB). Also conducted a CWNS 2008 planning meeting with a group of Regional CWNS coordinators and State and local representatives and obtained input on the new web-based data entry system planned for the 2008 survey (March 2006).

Outreach — Published a SI outreach brochure and a toolkit for practitioners. Developed new outreach materials for the CWNS.

Wet Weather / Stormwater Program

Urban wet weather sources remain an important EPA priority because of the potential impacts on human health and the environment. Among the sources for which the CWA provides us with regulatory tools, urban wet weather sources are *the* most significant sources of water pollution today. Urban wet weather water quality problems are typically difficult to characterize in part because they are caused by a number of diffuse sources, including sewage overflows (both sanitary sewer overflows and sanitary sewer overflows), bypasses or inadequate treatment at sewage treatment plants, and storm water. Adverse effects from wet weather are typically tied to the condition, type and extent of the infrastructure.

Peak Wet Weather Flows Guidance

EPA issued a proposed guidance for peak flow management at publicly owned waste treatment plants served by separate sanitary sewer systems that provides a framework that enhances environmental protection, considers municipal costs and increases public information.

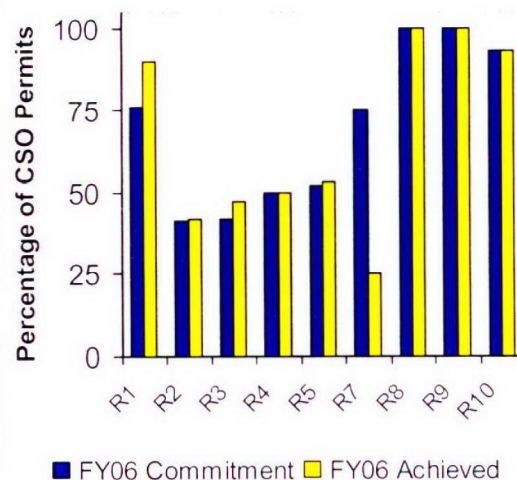
Combined Sewer Overflows

EPA is on track to have schedules in place for 65% of permits for FY 2007 and 75% for FY 2008 for implementing long term control plans.

e-Stormwater tools

OWM significantly improved the efficiency of the electronic Notice of Intent (e-NOI) system for electronic submittal of construction and industrial stormwater NOIs by dischargers regulated directly by EPA. In addition, an e-Reporting component is being developed for electronic submittal of and web-based access to the Multi-Sector General Permit monitoring data and other reports. This will greatly enhance public access to discharge characterization information.

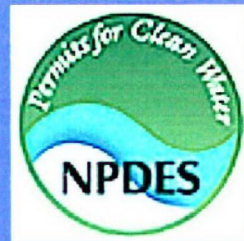
**FY06 CSO Commitment
with Regional Data**



Measure: Percentage and number of CSO permits with schedules in place in permits or other enforceable mechanisms to implement approved Long Term Control Plans (LTCPs) (cumulative).

New and Revised National Menu of Stormwater BMPs

The National Menu of Best Management Practices for Stormwater Phase II was first released in October 2000. EPA has renamed, reorganized, updated, and enhanced the features of this website. The new menu is easier to browse and search and includes approximately 20 new fact sheets that highlight innovative practices.



Stormwater Webcasts

A new series of webcast training sessions for municipal stormwater managers is now available on the OWM website. Designed for those unable to attend out-of-town or multi-day workshops, this series provides a mix of basic and advanced topics in two-hour blocks. These webcasts will allow participants to listen to lectures and see presentations through their computers.

Many of the webcasts are available on the OWM website:

- NPDES Permit Writers' Training Course
- Developing Your Illicit Discharge Detection & Elimination (IDDE) Program
- Financing a Municipal Stormwater Program "Post-Construction Overview and Introduction to Smart Growth and Low Impact Development"
- Overview of CAFO Proposed Rule

Priority Permits

The Priority Permits program is a great success story. It provides vital measures (PART and GPRA) for EPA's water program. The program prioritizes reissuance of expired NPDES permits based upon their environmental significance. In its first two years (FY2005 and FY 2006), States and Regions managed to issue over 95% of the permits to which they committed.

OWM has conducted a preliminary review of how States and Regions determined which permits were high priority. Initial findings included: location on an impaired waterbody, change in water quality standards, permits expired greater than 10 years, and the issuance of new general permits. OWM also developed a strategy for a detailed audit in FY07.

Watersheds and Nutrients

OWM continues to implement the Office of Water's 2003 Watershed-based Permitting Policy. OWM has developed draft Guidance on the policy. OWM worked closely with Region 3 and the State of Virginia to implement nutrient criteria in the Chesapeake Bay and develop a watershed-based permit to control nutrient contributions from 140 point sources. OWM also worked with the Office of Science and Technology to develop a nutrient criteria implementation guidance.

State & Regional Program

The State and Regional Program provides technical and policy support to help implement the NPDES program. Through coordination with States and EPA Regions, the program guides consistent and effective translation of water quality goals and standards into permit limits and conditions. It resolves legal barriers that prevent optimal program implementation and provides proactive and consistent management of external legal drivers. It also provides timely information on the integrity of the NPDES program implementation while working cooperatively to produce efficient processes and measurable results.

Alaska and Other Program Approvals

EPA is working with the State of Alaska as it seeks authorization to administer the NPDES program. OWM is committed to helping establish a strong NPDES program in Alaska. OWM is also working with New Mexico as it develops its request to administer the NPDES program and with Ohio as it prepares to have its Agriculture department administer the NPDES program for CAFOs.

OWM reviewed state legal authorities to determine the minimum legal authorities required for a state to run a NPDES program. Substantial progress was made to resolve a backlog of outstanding petitions to withdraw State NPDES programs.

Permit Quality Reviews

In ongoing efforts to ensure the integrity of the national permitting program, OWM established a Permit Quality Review (PQR) process. A pilot review in Region 1 was started in conjunction with the Office of Water's Regional Review. OWM has created a strategy that targets both geographic and topical areas for review. Additional PQRs are anticipated during FY2007.

Action Items

Regions, States and Territories have committed to approximately 300 action items (or "to do" items) resulting from the Permitting for Environmental Results review of State and Regional permitting authorities. The items cover a broad range of topics: Whole Effluent Toxicity, pretreatment programs, stormwater and more. By the end of FY 2006, 137 of the items (47%) were completed.

Methylmercury Fish Tissue Criterion Draft Implementation Guidance

This draft Office of Water (OW) document provides technical guidance to States and authorized Tribes about how to use the January 2001 fish tissue-based recommended water quality criterion for methylmercury in surface water protection programs (e.g., TMDLs, NPDES permitting). OWM worked with other parts of OW to ensure that the draft guidance addresses questions related to water quality standards adoption (e.g., site-specific criteria, variances, monitoring, TMDLs, and NPDES permitting).

State & Tribal Capacity Building

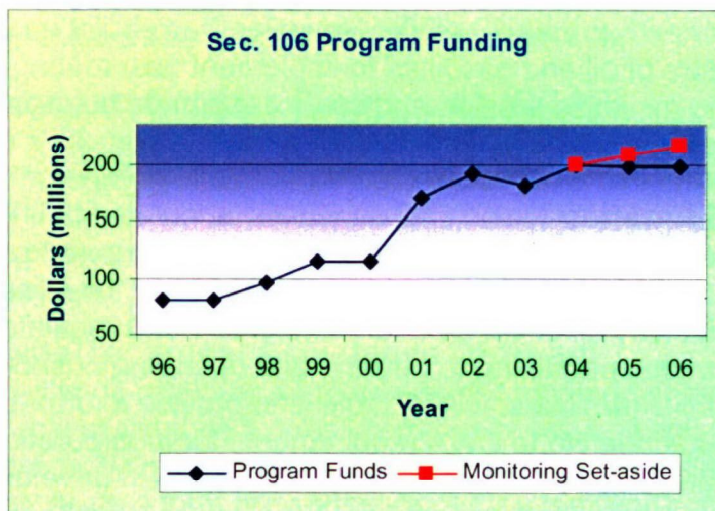
Section 106 of the Clean Water Act authorizes EPA to provide federal assistance to states (including territories, the District of Columbia, and Indian Tribes) and interstate agencies to establish and implement ongoing water pollution control programs.

Prevention and control measures supported by State Water Quality Management programs include permitting, pollution control activities, surveillance, monitoring, and enforcement; advice and assistance to local agencies; and the provision of training and public information.

Tribal Water Quality Grant Guidance

A new OWM publication, *Guidance on Awards of Grants to Indian Tribes under Section 106 of the Clean Water Act* clearly defines expectations and requirements for Tribal grant recipients and provides a framework for evaluating program results. The guidelines will help redefine how Tribes and the EPA work together to protect, restore, and maintain the physical and biological integrity of our nation's waters.

During the past 10 years, EPA has increased funding available for Section 106 grants to Indian Tribes from \$3 million to \$25 million per year. Although many Tribes have implemented successful water quality programs using Section 106 grants, these guidelines will help to strengthen program management nationally and improve the quality and access to data on the results of Tribal water quality grant investments. Data collected as a result of these reporting requirements will help EPA measure environmental results and comply with the Government Performance and Results Act (GPRA) and other federal mandates.



Permit Fee Incentive Program

OWM developed a draft Permit Fee Incentive Program rulemaking. This rulemaking is intended to provide an incentive to States that utilize an adequate fee program for NPDES permitting requirements. The rule will be proposed in early 2007.

Support for State Monitoring Strategies and National Survey

EPA provided Section 106 grantees with \$18.3 million in grants to support improvements in water quality monitoring, implementation of state monitoring strategies and participation in national water quality surveys. This was a \$8.4 million increase over FY 2005. The additional funds were distributed to each state or tribe based on the number of designated monitoring sites located within the grantee's boundaries.

EPA also developed and finalized guidelines that describe the allotment formulas used to disperse those programmatic funds targeted to support enhanced monitoring efforts. The guidelines describe the specific activities that must be undertaken under this monitoring initiative in order for States, Interstate Agencies, and Tribes to receive the actual initiative funding, resulting in State and Tribal capacity enhancements geared toward water quality monitoring and reporting.

Streamlined Construction Site Requirements

On May 8, Ben Grumbles, assistant administrator for water, sent a letter to Regional Administrators encouraging permitting authorities to make use of the Qualifying Local Programs provisions in the stormwater regulations.

These provisions offer an opportunity to streamline administrative requirements in the stormwater program by formally recognizing local construction management programs that meet or exceed the provisions in EPA or state construction general permits. Recognition of qualifying local programs eases the burden on construction site operators by providing them with one set of requirements to follow.

EPA's letter encourages state permitting authorities to take advantage of opportunities to recognize good programs and to streamline requirements where ever possible.

Draft CIU Strategy

Nationwide, more than 1,300 known categorical industrial users (CIUs) discharge to publicly owned treatment works (POTWs) without approved Pretreatment Programs. In addition, at least 60 non-categorical significant industrial users (SIUs) are known to discharge to POTWs without approved programs. OWM developed a draft CIU strategy that identifies possible oversight standards and provides options for strategies that State and Regional Control Authorities can use to oversee SIUs.

Industrial Program

OWM's Industrial program works to protect and improve water quality through technology-based and water quality-based permitting and to achieve environmental results through program integrity and efficient permitting operations. Stormwater, Pretreatment, and Industrial Permitting are within its scope. Wastewater discharges from industrial sources may contain pollutants at levels that affect the quality of receiving waters. The NPDES permit program establishes specific requirements that control the pollutant discharges from industrial sources. Accomplishments during 2006 include:

Pretreatment Streamlining

OWM initiated a new series of "fact sheets" and "frequently asked questions" to help industry understand provisions of the new Pretreatment Streamlining Rule and implementation requirements. The first fact sheet describes 13 Pretreatment Streamlining Rule provisions. The specific changes may require revisions to the appropriate state or POTW legal authorities or program documents. A general description of each change is included, along with a summary of what state or POTW follow-up actions are needed.

Oil and Gas Rule

Consistent with the Energy Policy Act of 2005, OWM developed a rule that exempts construction activities at oil and gas sites from the requirement to obtain an NPDES permit for stormwater discharges except in very limited instances. This rule became effective June 12, 2006. However, it explicitly encourages operators of oil and gas sites to implement best management practices to minimize erosion and control sediment during and after construction.

Liquefied Natural Gas (LNG)

OWM participated actively in the OPEI-led workgroup to develop a regulatory "roadmap" for LNG facilities. The "roadmap" will identify all of the statutory authorities and regulatory requirements pertaining to building and operating onshore and offshore LNG terminals. OWM's role is to provide information and write-ups relating to CWA requirements for incorporation in the overall guidance. OWM has been instrumental in developing and supporting permit limits for EPA regionally issued LNG permits.

Multi-Sector General Permit (MSGP)

OWM helped develop EPA's new NPDES general permit for stormwater discharges from industrial activity, also referred to as the Multi-Sector General Permit (MSGP). The permit, still under review, will replace the existing permit covering industrial sites in EPA Regions 1, 2, 3, 5, 6, 8, 9 and 10.

Sustainable Communities

Small, rural communities (communities with fewer than 10,000 people), Indian reservations, and *colonias* along the U.S.-Mexico border have historically experienced difficulty in achieving Clean Water Act goals, due in part to lack of resources and technical expertise. The Sustainable Communities program aims to provide small and underserved communities with the financial and technical assistance and education necessary to achieve sustainable, appropriate and cost-effective wastewater infrastructure.

Clean Water Indian Set-Aside Grant Program

Awarded \$13.3 million in grants to Indian tribes for planning, design and construction of wastewater treatment facilities on tribal lands. This represents 45 wastewater projects serving 30 tribes, or approximately 10,978 households; about 592 had previously lacked access to a sewage disposal system.

Alaska Native Village (ANV) and Rural Communities Sanitation Grant Program - EPA awarded \$34.5 million in grants to the State of Alaska for planning, designing and constructing drinking and waste water systems to serve ANVs and Alaskan rural communities. This included 18 projects providing first-time access to basic water and sanitation for 3,050 homes.

U.S.-Mexico Border Water Infrastructure Program

The program provided \$49.3 million to design, plan and construct basic water supply and wastewater collection and treatment systems in communities along the U.S.-Mexico border. Approximately 30,200 homes gained wastewater service connections and 22,500 homes gained drinking water connections in FY06.

Rural Community Assistance Partnership (RCAP)

EPA awarded a \$1.7 million grant to RCAP in FY06 to provide education, training and on-site technical assistance to small rural communities. With those funds, RCAP provided technical assistance for 210 wastewater projects, serving a total population of 342,480 rural residents including 94,038 low-income individuals.

Operator On-site Technical Assistance Program

Awarded \$1.2 million in grants to 47 states and/or training centers to provide technical assistance to small community waste-water treatment facilities to help them comply with NPDS permit requirements. Last year, the program prevented more than 5 million pounds of pollutants from entering into our nation's waters.

National Small Flows Clearinghouse (NSFC)

With a \$1.9 million EPA grant NSFC responded to 2,768 technical assistance calls and distributed 171,611 products to requesters. Funding also helped sponsor a national meeting of state onsite program regulators, initiated a public awareness campaign, and updated its online databases.

Decentralized Program

Recognized as a key component of our nation's waste water infrastructure, septic and decentralized systems are used in 25% of all existing homes and 33% of new development. Systems that are properly planned and managed can protect health and vital water resources.



2006 Highlights

Partnerships - Under a MOU with eight partner organizations, the program developed a model regulatory code, formed an Installer Credentialing Program, and developed a strategy to collaborate on program and training materials.

Management Handbook for Septic/Decentralized Systems, - published a "how-to guide" for implementing EPA's Voluntary National Guidelines for the Management of Decentralized Systems.

A New TWIST - The Wastewater Information System Tool (TWIST), available on CD ROM, is an adaptable inventory tool designed to assist state and local health departments track information related to homes and facilities served, permits, site evaluations, inspections, types of systems installed and service complaints.

We welcome you your comments!

Thank you for your interest in the first OWM annual report. We welcome all comments and suggestions about how we can make this report a more useful and informative document for our readers. Please send your comments to: Greg Barranco, Communications Director, Office of Wastewater Management, US EPA, 1200 Pennsylvania Avenue, NW, Mail Code 4201M, Washington, DC 20460; or by email at barranco.greg@epa.gov.



United States Environmental Protection Agency

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