



September 4, 2024

Senator Joe Manchin, Chairman
Senator John Barrasso, Ranking Member
US Senate Committee on Energy & Natural Resources
304 Dirksen Senate Building
Washington, DC 20510

Chairman Manchin, Ranking Member Barrasso, and members of the United States Senate Committee on Energy and Natural Resources:

We thank you for your leadership and ask for your support of Dakota Water Resources Act (DWRA) reauthorization legislation. On behalf of the North Dakota Department of Water Resources, Garrison Diversion Conservancy District, Lake Agassiz Water Authority, and North Dakota Rural Water Systems Association, we appreciate your consideration of this request. More specifically, and as outlined in this letter, we are respectfully requesting \$687 million for state water supply needs, and \$743 million for Tribal water supply needs (see attached) be included in DWRA reauthorization legislation. This letter provides background on DWRA, detailed information on the projects included in the state's \$687 million request, and support for Tribal water supply needs.

To understand the critical importance of DWRA reauthorization to North Dakota, it is first necessary to understand the purpose and background of previous legislation, as well as the continued challenges in providing reliable and high-quality water for our citizens. From a historical perspective, the Rivers and Harbors Act of 1935 and the Flood Control Act of 1944 authorized construction of six mainstem dams on the Missouri River, leading to the completion of the Garrison Dam in North Dakota in 1953. For the more than 560,000 acres in North Dakota flooded by Garrison and Oahe Dams (Lake Sakakawea and Lake Oahe), Congress passed legislation as partial compensation and to mitigate long term impacts to the state and Tribal Nations located in the state.

With regard to compensatory legislation, in 1986, the Garrison Reformulation Act (GRA) authorized a federal Municipal, Rural, and Industrial (MR&I) water supply grant program to assist North Dakota with the development of critical water infrastructure. Fourteen years later, Congress passed the Dakota Water Resources Act of 2000, amending the 1986 GRA. Included in the DWRA of 2000 was a \$200 million increase in MR&I program funding and \$200 million for Tribal water supplies (both indexed for inflation), as well as \$200 million through loans to develop a project that would meet water supply needs in North Dakota's Red River Valley, which

never materialized. In FY 2024, North Dakota received its final allocation as part of the original DWRA – two dozen years after the original authorization.

Two progressing regional water supply systems relying on MR&I funding are the Northwest Area Water Supply (NAWS) project and the Eastern North Dakota Alternate Water Supply (ENDAWS) project, a component of the Red River Valley Water Supply Project. Both projects are currently under construction, and when completed, will provide high quality, drought resilient water supplies to approximately 60% of North Dakota's water users in northern, central, and eastern regions of our state. Another regional water supply system that has been in place for decades, but has also utilized MR&I funding is the Southwest Pipeline Project (SWPP). SWPP currently serves 58,000 water users, or just over 7% of North Dakota's population in the southwest region of our state. With continued growth and requirements for additional water comes additional financial need through the MR&I program for the SWPP as well.

To address long-standing water quality and quantity problems experienced by residents of northern North Dakota, the NAWS project was authorized by the GRA of 1986 and the DWRA of 2000 under the MR&I grant program. The general purpose of NAWS is to transport abundant Missouri River system water from Lake Sakakawea to a biota water treatment plant (BWTP) before it is piped across the continental divide to Minot, where it will then be treated again before distribution. Construction of NAWS began in 2002, with the main transmission line and associated features built between the city of Minot and Lake Sakakawea. Later in 2002, lawsuits were initiated, delaying the project for years. The District Court ruled in favor of the project in 2017, and that decision was upheld by the Appellate Court in 2019 - ending 17 years of litigation. Since 2019, construction on the NAWS project is back underway with the construction of pipelines, storage reservoirs, pump stations, and water treatment plants.

When completed, it is estimated the total cost of the NAWS project will be about \$440 million. To date, over \$350 million has already been invested, with approximately \$176 million of that total in federal funds. It is important to note, because of Boundary Waters Treaty of 1909 requirements, NAWS has been required to construct the BWTP, which is the first and only one of its kind in the country. This has added additional project costs that were not envisioned when NAWS, and ENDAWS for that matter, were originally planned. As such, BWTP costs are 100 percent the responsibility of the federal government. However, because no federal authorization has been directed specifically for that purpose, North Dakota and the federal government have been forced to use MR&I program funds for Phase I BWTP efforts with about \$59 million in federal funding reimbursements to date, which could have been used for other critical water supply needs. Phase II/III expansion of the BWTP are anticipated to cost approximately \$50 million.

For this reason, we are requesting \$120 million be included in DWRA reauthorization legislation to account for BWTP-related costs, as well as MR&I program funding utilized for study and administrative costs incurred by the US Bureau of Reclamation as necessitated by Boundary Waters Treaty requirements.

The drought-prone Red River in North Dakota is the primary water source for North Dakota's most populated region. Studies show a severe drought, similar to that of the 1930s, will likely repeat by the year 2050. In this event, water supplies in the Red River Valley would be insufficient, and would result in an economic impact of over \$33 billion.

The Red River Valley Water Supply Project (RRVWSP) is needed to mitigate against drought conditions that would cause costly shortages, foster economic development by meeting municipal, rural, and industrial water demands, and promote environmental sustainability with continued growth and industrial development in the region.

ENDAWS, a component providing a bulk water supply to the RRVWSP, is the solution to providing central and eastern North Dakota with a reliable supply of quality water. This component will include the construction of infrastructure to provide up to 165 cubic feet per second (cfs) of water from the McClusky Canal. Water will be delivered through a buried pipeline along a northern route and connected with the main transmission pipeline of the originally-planned RRVWSP. The supplemental and emergency water supply will benefit approximately 50% of ND's population, and is also able to serve communities in western Minnesota if needed.

The \$454 million request for ENDAWS will enable the development of 32 miles of 72-inch main transmission pipeline, an intake on the federal Garrison Diversion Unit McClusky Canal, a biota water treatment plant meeting the Boundary Waters Treaty Act of 1909 regulations, a main pump station, and hydraulic break tanks for the ENDAWS project.

For the SWPP, \$50 million is requested to support the advancement of several projects. The first being the new Southwest Water Treatment Plant (SWTP) expansion project in Dickinson, North Dakota. This project includes the expansion of the 6 million gallon/day (MGD) SWTP to its ultimate capacity of 18 MGD and will allow the retirement of the existing 60-70 year-old City of Dickinson 12 MGD water treatment plant. In addition, main transmission line improvements, strategic hydraulic improvements in multiple service areas, and rural distribution system improvements are planned to support growing water needs in southwest North Dakota.

Additionally, \$63 million is requested to expand rural water systems. North Dakota's rural water systems provide a safe, reliable, high-quality, and affordable water supply to residents, farms, industries, subdivisions, and small communities within the state. Further developing rural water projects across North Dakota is vital in maintaining rural economies by keeping individuals, families, and businesses in rural communities which are the backbone of our state. To meet the growing statewide rural water needs, additional funding is needed to solve water quality and quantity issues. A 2022 study indicated that nearly \$460 million will be needed to meet the 10-year funding need of state rural water projects with an additional \$1 billion needed over the next 20 years. Without significant federal assistance, many systems could not reasonably afford to bring water to people in desperate need and could not comply with the myriad of complex water quality rules and regulations in place.

In addition to the aforementioned financial needs of the State of North Dakota, we also believe the critical water supply needs of Tribal Nations with which we share geography and history should also be realized. As such, we support the \$743 million request from Tribal Nations to be included in DWRA reauthorization legislation.

As part of the \$743 million request for Tribal water supplies, there are critical water infrastructure needs in all of the reservations for which North Dakota shares geography. Project needs are related to water treatment, storage, and distribution – including to areas that today, in 2024, are still hauling water to residents that don't have clean and safe drinking water supplies.

Therefore, as identified by each of the Tribal Nations, we support \$275 million for the Mandan, Hidatsa and Arikara Tribe; \$240 million for the Standing Rock Sioux Tribe; \$118 million for the Spirit Lake Sioux Tribe; \$98 million for the Turtle Mountain Band of Chippewa; and \$12 million for the Sisseton-Wahpeton Oyate Tribe.

We appreciate your consideration of this request to provide funding for crucial water infrastructure that supports advancement of reliable, clean, and sustainable water supplies for the people of North Dakota.

Sincerely,



Andrea Travnicek, Ph.D.
Director
ND Department of Water Resources



Duane Dekrey
General Manager
Garrison Diversion Conservancy Dist.



Mayor Tim Mahoney
Chairman
Lake Agassiz Water Authority



Eric Volk
Executive Director
ND Rural Water Systems Assoc.

Attachment: ND MR&I Program Proposal