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Taking Care of Business: Building and Maintaining our Water Infrastructure

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Taking Care of Business: Building and Maintaining our Water Infrastructure

Although the Environmental Protection Agency (EPA) recognized in its 2010-2011 Key Action Update that regulatory programs might require modification due to climate change, the EPA has yet to communicate a clear policy that adapts the regulatory scheme to climate change. Pifer concluded by stating that regulatory reforms must adapt to reflect reality because the consequence of inaction is too great.

Scott Ashby, a policy-maker from Adelaide, Australia, spoke last about the challenges of water management during Australia's recent drought. Ashby began by stating that analysts have historically based water management policy on average flows, but with the reality of climate change, these policies will need to adjust to take account of extreme flow variation. He spoke about the difficulty of reaching an agreement between states concerning water rights in the Murray-Darling Basin, a situation geographically and hydrologically similar to the Colorado Basin. In a last ditch effort to prevent Adelaide from running out of water at the height of the drought, the city resorted to developing a desalinization plant.

At the end of the session, the speakers fielded questions from the audience. The audience directed many of the questions at Ashby and Pascoe regarding the government's reaction during the drought.

Dustin Charapata

TAKING CARE OF BUSINESS: BUILDING AND MAINTAINING OUR WATER INFRASTRUCTURE

Peter Binney of Merrick & Co. moderated the panel. He began the session by discussing the deterioration of America's water infrastructure and the need for billions of dollars in improvements to bring it back up to modern standards. He noted that users' cost of water service will have to go up or the level of service will fall.

The first panelist, David Downie, general manager for the Department of Sustainability and Environment in Victoria, Australia, began with background information about Victoria. He explained that in Victoria, the public owns utilities, including water, but there is ample private participation. Downie emphasized the community involvement in the utilities-business-plans, and that the overriding policy goal is to have users pay the full cost of their services, which includes infrastructure building and repair. He noted that it was a challenge to explain to users that prices must be set in terms of infrastructure. Their cost of service needed to reflect the costs involved in capturing and transporting the water, not just the cost of the water itself.

The second panelist, Peter Sutherland, Business Leader - Water Resources for GHD in Sydney, Australia, presented a slide show entitled: *Taking Care of Business: The Search for Water Security in Australia*. Sutherland reiterated Downie's point that, as the cost of water and the necessary infrastructure continues to increase, users should expect to

pay more, particularly after a drought or flood. He explained that global climate change would cause Australia's already unpredictable climate to undergo greater extremes. He stressed that diversity in sources of supply was necessary in order to ensure that the country will have sufficient water in both times of drought and times of flood. Sutherland suggested supply alternatives, including surface water, recycling, desalinization, rainwater tanks, managed aquifers, and rural-urban trade. He analyzed public perception in terms of these sources and concluded that, while different cities have different strategies, they are all looking forward and preparing for their future water needs.

The third panelist, Mike Brod of the Colorado Water Resources and Power Development Authority (Authority), spoke about the funding available to water and wastewater utilities in the state of Colorado. He explained the process by which communities apply for loans from the Authority, which includes presenting an approved water conservation plan. Colorado cities, towns, counties, water districts, and water and sanitation districts are all eligible to apply for loans. Brod then talked about the three main types of loan programs: drinking water, wastewater, and small hydropower. He concluded by commenting on points made by the first two speakers and discussed some similarities and differences between Australian and American water policy.

The final panelist, Tim Freehan of the Colorado Water Conservation Board (CWCB), showed a slide show entitled: *Meeting Colorado's Future Water Needs: CWCB's Loan Program*. He discussed the seven sections within the CWCB and each section's role in operations and planning. Freehan then spoke about projects in both the loan and grants programs and what funding was available. He noted that, due to the current economic climate, funding is not as readily available as it once was, but the CWCB still has enough money to make loans to qualifying applicants.

The session ended with a few questions from audience members about price setting and water recycling in Australia.

Leigh Auerbach