

The Arkansas Water Plan Resources for Infrastructure



Eleven Billion Dollars of Need

- The Water Plan update surveyed water and sewer systems to estimate the cost of infrastructure financial need from 2014 to 2024
- Drinking water need: \$5.74 billion by 2024
- Wastewater need: \$3.76 billion by 2024

Water Plan Compliance

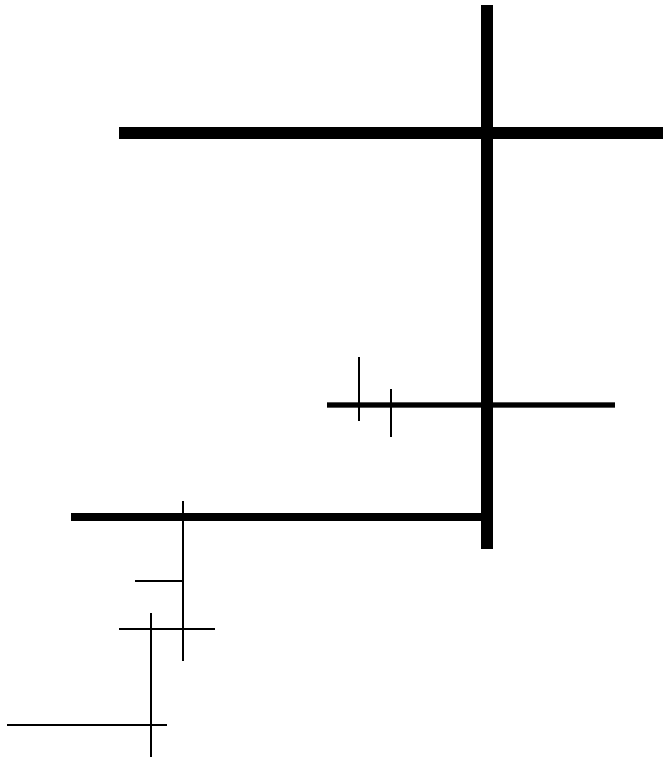
- Public water and wastewater projects must be approved by ANRC under the Arkansas Water Plan
- Standard: “adequately coordinates the use of water resources within the region in which the project is located, and with in the state as a whole”

Factors for Approving Projects

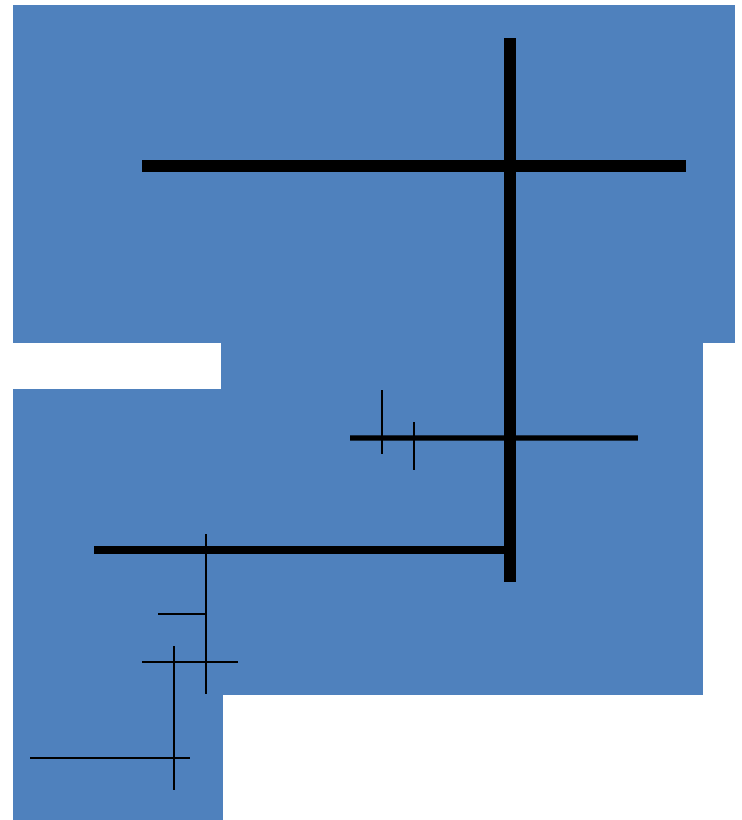
- Has the applicant demonstrated the ability to sustain a system?
- Is the per-customer cost too high?
- Thresholds: 300 customers for sewer projects

“Project Area” vs. “Service Area”

Project only



Project and defined area



Master Plans

- Approved under Water Plan
- Can include service area designation
- 10 years
- Timeline for phases
- Notification of significant changes

Dispute Resolution

- Federal or state debt?
- Defined geographical area?
- Other way to argue “service area?”
- Declaratory order?
- Communicate!

Territory Swaps

- State debt - ANRC approval required
- Portion of debt may have to be repaid
- ANRC considers based on these factors:
 - Impact of transfer on ability to repay debt
 - Value, including depreciation, of facilities
 - Expenditures for planning, design, or construction outside area directly and reasonably allocable to area to be transferred
 - Impairment of service or increase in cost to customers
 - Future lost revenues, but only until debt retired
 - Legal expenses and professional fees
 - “Other relevant factors”