

Keep water affordable and resilient so communities can rely on their water supply over the long term

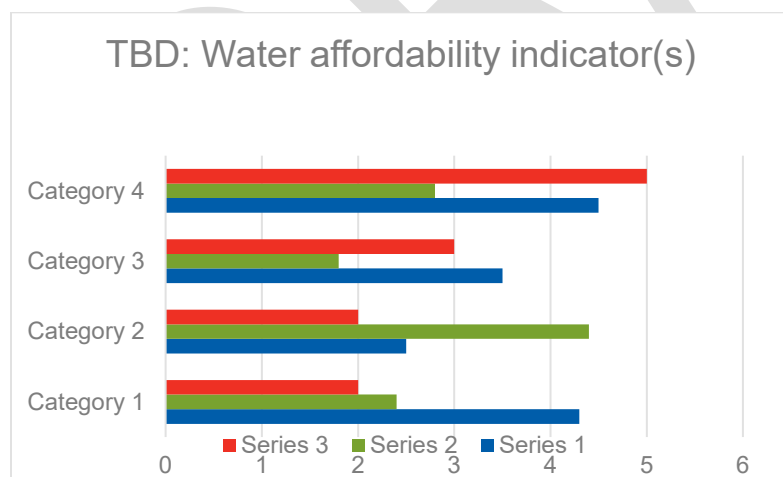
Across the Twin Cities metro region, many communities are facing rising water-system costs related to the renewal and replacement of aging infrastructure while also addressing treatment upgrades, climate resilience, cybersecurity, and emerging contaminants ^{C-1}.

Affordable access to safe drinking water is a human right, as well as an equity and public health issue ^{C-4}. Safe and reliable drinking water depends on continuous investment in treatment, infrastructure, operations, staffing, and long-term planning ^{C-2}.

Water affordability challenges do not affect all communities or households equally. Rate increases and infrastructure costs may create greater burdens for lower-income households, communities facing major treatment costs, or systems with limited financial capacity ^{C-1}.

The impact of water costs on lower-income households varies from community to community, depending on housing, water sources, rate structures, and how water service is billed. Communities may therefore need flexible approaches to addressing water affordability.

Current funding tools, rate structures, planning approaches, and assistance programs need to support communities to provide safe and affordable drinking water.



Investing in water resources and infrastructure helps Minnesota households and communities thrive.

CURRENT CONTEXT

- Households are struggling to afford essential water services. ^{C-1}
- Water infrastructure replacement and treatment costs continue to grow. ^{C-1}
- Delayed investment may increase future costs for residents, businesses, and utilities.
- Lead Pipe Replacement Program funds are forecasted to dry up by 2027.
- The Federal Low Income Household Water Assistance Program, which provided funds to assist low-income households with water and wastewater bills, was eliminated.

Opportunities for action

Support communities facing disproportionate costs

Develop and support programs to replace the now-defunct federal Low-Income Household Water Assistance Program (LIHWAP)^{C-3}, to continue helping eligible low-income households pay for critical water service.

Strengthen and sustain the State's lead pipe replacement program

Minnesota has a goal of removing all lead pipes by 2033, beating the federal mandate deadline of 2037. Replacement is free to residents currently due to state and federal funding, but those funds are set to expire by 2027. Money from utility fees cannot be used for private infrastructure improvements and the cost of replacing pipes could fall on residents if the funding expires.

Improve long-term financial sustainability

Incentivize coordination among utilities, agencies, and funding programs to support efficient long-term investment.

Ensure affordability and revenue stability and improve affordability planning and transparency

Provide funding for Twin Cities metro region public water suppliers to conduct cost-of-service studies that strengthen asset management and support long-term capital planning, helping communities anticipate infrastructure replacement needs and reduce future costs.

Examples that could inform future action^{C-5}



Saint Paul Regional Water Services runs WaterWorks, a voluntary contribution-funded assistance program administered jointly with Community Action Partnership of Ramsey and Washington Counties, which provides up to \$300 annually off total water and sewer bills, a reduction of about 33% for roughly 1,000 customers per year.



Minnesota is providing funding to public water systems to replace lead service lines through the Drinking Water Revolving Fund, which draws on both state legislative appropriations and federal Infrastructure Investment and Jobs Act money. Notably, private residents can't apply directly — the water system applies and administers the project regardless of who owns the service line — which is what lets cities offer replacement "at no cost" even for the privately-owned portion of the line.

To see the full report: [LINK/QR code to website where full report is posted](#)