

Kristen Bowman Kavanagh Executive Director Delaware River Basin Commission P.O. Box 7360, West Trenton, NJ 08628-0360 December 19, 2024

RE: DRBC Report "Pathway for Continued Restoration: Improving Dissolved Oxygen in the Delaware River Estuary" and Suspension of Work on Proposed Sidestream Facility at PWD SWWPCP

Dear Ms. Kavanagh,

PWD has reviewed DRBC's recent report entitled *Pathway for Continued Restoration: Improving Dissolved Oxygen in the Delaware River Estuary* ("Pathway Report"; Technical Report No. 2024-6, dated September 2024). Although DRBC did not release a draft of this report or solicit comments prior to its release, the Pathway Report is based upon previous work performed under DRBC Resolution 2017-04, including DRBC's 2022 draft report *Analysis of Attainability: Improving Dissolved Oxygen and Aquatic Life Uses in the Delaware River Estuary* and related documents for which PWD has submitted comments to DRBC. PWD has on several occasions expressed concerns that the 2019 cost estimates used by DRBC are inaccurate and outdated. PWD has also submitted similar comments to EPA, who relied upon DRBC's analysis for utility cost information in the 2023 proposed rulemaking for Water Quality Standards to Protect Aquatic Life in the Delaware River (EPA <u>Docket HQ-OW-2023-0222</u>).

DRBC and EPA technical staff have been provided with more accurate and up-to-date information on the costs associated with making modifications at wastewater treatment plants to reduce ammonia levels. We are disappointed that in the most recent Pathway Report DRBC has yet again failed to update construction cost estimates for inflation or acknowledge the actual costs that would be incurred by major wastewater dischargers. In PWD's case, the estimated annual costs of treatment are more than 225% higher – \$274 Million for PWD's estimated cost vs. \$84 million in DRBC's 2019 estimate. Furthermore, when other regulatory mandates such as combined sewer overflow reductions, lead and copper rule improvements, and PFAS treatment are considered, the combined burden of new regulations on ratepayers would exceed EPA water affordability guidelines for Philadelphians, more than 20% of whom live in poverty. The lack of accurate costs for wastewater treatment is in PWD's view a serious flaw for a document framed as presenting a pathway to improved water quality and aquatic life.

Via this letter, PWD is also notifying DRBC that we have suspended work on the proposed sidestream treatment facility at PWD's Southwest Water Pollution Control Plant (SWWPCP). PWD proposed the sidestream facility as a cost-effective early action to remove ammonia from the high-strength centrate (recycle flow) from PWD's Biosolids Recycling Center. PWD finalized design of the facility in 2023 and successfully applied for PENNVest financing for project construction. However, continued sampling and characterization of solids and flow rates for BRC centrate throughout 2023 and 2024 have caused PWD to re-evaluate the design assumptions for the facility. Moreover, recent operational challenges have highlighted the centralized processing of biosolids as a potential bottleneck for PWD's three WPCPs. These factors, as well as recent developments in the biosolids industry, have caused PWD to re-evaluate the long-term viability of the sidestream treatment facility project.



PWD has instructed our engineering consultant to review the sidestream treatment facility design consistent with updated centrate stream characteristics to further evaluate whether the project can move forward. PWD has also initiated a Biosolids Master Planning process to comprehensively review biosolids handling at all three of PWD's facilities. PWD's understanding is that DRBC has considered alternative scenarios for wastewater treatment flows and simulated loadings with DRBC's 3-D hydrodynamic and water quality models (*i.e.*, Pathway Report Appendix D – "Additional Model Scenarios for Economic Evaluation"). Model scenarios that include reduced ammonia loading for PWD SWWPCP based on assumptions about sidestream treatment may no longer be appropriate if the facility is ultimately not constructed.

The two issues addressed in this letter are but the latest in a series of technical topics concerning aquatic life water quality standards which require further coordination between the regulated community, DRBC, EPA, and the states. The DRBC Water Quality Advisory Committee an appropriate venue for these discussions as well as other high priority water quality issues. PWD urges DRBC to resume regularly scheduled WQAC meetings to convene the basin stakeholders so that we may work together to find a true path forward.

If DRBC requires additional information, or if DRBC staff would like to arrange a technical meeting to discuss further, please contact Kelly Anderson (kelly.anderson@phila.gov) or Jason Cruz (Jason.cruz@phila.gov).

Sincerely,

Marc Cammarata, P.E.

Deputy Commissioner, Planning & Environmental Services

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CC: Thomas Amidon (DRBC)

CC: Ben Jewell, Samantha O'Connor, Melanie Garrow, Kelly Anderson, Jason Cruz

(PWD)