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NEW REPORT EXPOSES ALARMING ECONOMIC IMPACTS ON DC REGION IF FACED WITH WATER SUPPLY DISRUPTION

Interstate Commission on the Potomac River Basin report details significant economic risks associated with water supply disruption in D.C. area, calls for immediate Congressional action to prevent dire consequences for region

WASHINGTON (Sept. 24, 2024) – Today, the Interstate Commission on the Potomac River Basin (ICPRB) unveiled a new report highlighting the significant and dire financial consequences facing the Washington, D.C., region in the event of a disruption to the area’s water supply during a press conference held today with leaders from the greater Washington area.

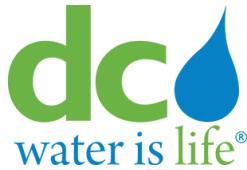
In just one month, a significant disruption from threats like infrastructure failures or natural disasters in D.C.’s water supply could result in a loss of \$15 billion in gross regional product (GRP) and hundreds of millions in tax losses, according to the report, “The Economic and Fiscal Costs of Water Supply Disruption to the National Capital Region.”

ICPRB, along with officials from the Greater Washington Board of Trade, DC Water, the Metropolitan Washington Council of Governments (COG) and the American Business Water Coalition, today called for Congressional action to fund crucial infrastructure projects to ensure greater resiliency in the D.C. region’s water supply and safeguard the health and safety of both the public and the economy.

“The Potomac River is the single source of drinking water for D.C. and provides water for roughly five million people in the region,” **said ICPRB Executive Director Michael Nardolilli**. “It is integral to the functioning of the nation’s capital. This report clearly shows that any disruption to the water supply would have catastrophic economic consequences for the region, especially for the most vulnerable residents of our nation’s capital. Securing the resilience of our water infrastructure is not just a priority, it’s a necessity.”

“The interconnectedness of our region means that water supply disruptions would have far-reaching consequences affecting the District of Columbia as well as our neighboring communities in Virginia and Maryland,” **said COG Board Chair and District of Columbia Councilmember Charles Allen**. “This report underscores the importance of regional collaboration in safeguarding our water resources and why COG is working with our partners to ensure a backup water source for the region.”

“DC Water’s motto, ‘Water is life,’ reflects how seriously we, as the water authority for the nation’s capital, take our role in supplying our customers with abundant, safe and reliable water,” **said David L. Gadis, Chief Executive Officer (CEO) and General Manager of DC Water**. “Resilience in the water sector, one of DC Water’s five strategic imperatives, is crucial not only for our success, but also for the health and wellbeing of the customers who depend on DC Water. This water supply vulnerability must be addressed to protect our city now and for the future generations to come.”



“Our region’s economic vitality and quality of life are directly tied to clean, reliable water resources,” said **Jack McDougle, President and CEO of the Greater Washington Board of Trade**. “This report highlights that a disruption in the water supply would not only harm the local economy but also have a disproportionate impact on the diverse business sectors and people who contribute to the vibrancy of our nation’s capital the Greater Washington region. This includes small, minority-owned, women-owned, and veteran-owned enterprises, which are at greater risk of permanent closure if forced to shut down due to water supply disruptions. It is imperative that we confront this challenge proactively to safeguard our thriving region and everything it has to offer.”

“Federal investment in our nation’s water infrastructure is essential to protect all communities from the devastating impacts infrastructure failures can have on operations,” said **Mae Stevens, CEO of the American Business Water Coalition**. “Restoring the country’s water systems to meet the needs of the population is expected to cost more than [\\$1.25 trillion over the next 20 years](#), a figure far too large for utilities, companies and private citizens to meet alone. Congress needs to recognize this as a critical need and close the funding gap so that we can better protect the D.C. region and our nation against devastating water supply disruptions.”

Key findings presented in the report include:

- **Economic impact:** The report estimates that a significant water supply disruption could result in losses of almost \$15 billion in gross regional product (GRP) and hundreds of millions in tax losses, all within the first month.
- **Disproportionate impact:** Small, women-owned and minority-owned businesses are particularly vulnerable to the effects of water supply disruption, with potential losses that could devastate their operations and subsequently, impact the livelihoods of their employees. Supply disruption would additionally have a greater impact on lower-income households that have fewer financial resources to mitigate the loss of services.
- **Sectoral vulnerability:** Major sectors, including healthcare, food and beverage, chemical manufacturing and arts & entertainment, are identified as being at severe risk, underscoring the necessity for enhanced infrastructure resilience and preparedness.

The full ICPRB report is available for download [here](#).

Moving forward, ICPRB, COG, Fairfax Water, WSSC Water, the Washington Aqueduct, and Arlington County are partnering with the U.S. Army Corps of Engineers to undertake a backup water source study for the region to ensure greater water supply resiliency. The study, which received partial funding in the Energy and Water Appropriations Bill, will commence later this year.

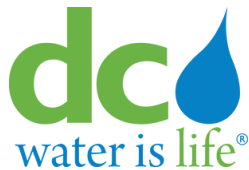
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About The Interstate Commission on the Potomac River Basin

The ICPRB is an interstate compact commission established by Congress in 1940. Its mission is to protect and enhance the waters and related resources of the Potomac River basin through science, regional cooperation, and education. Represented by appointed commissioners, ICPRB includes the District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia, and the federal government.

About DC Water

DC Water provides more than 700,000 residents and 21.3 million annual visitors in the District of



Columbia with retail water and wastewater (sewer) service. With a total service area of approximately 725 square miles, DC Water also treats wastewater for approximately 1.8 million people in neighboring jurisdictions, including Montgomery and Prince George's counties in Maryland and Fairfax and Loudoun counties in Virginia.

About Greater Washington Board of Trade

Greater Washington is a dynamic and complex region with a quick-moving and always-evolving business environment. The Board of Trade, founded in 1889, is the region's premier non-partisan business organization representing industry, nonprofits, universities, and government agencies in the District of Columbia, suburban Maryland, and Northern Virginia. We focus on inclusive economic growth, improving the business climate, and enhancing the region's economic competitiveness.

About American Business Water Coalition

The American Business Water Coalition is a group of water-reliant businesses—from manufacturing to energy to tech and beyond. The coalition provides a platform for businesses across the country to urge Congress and the Administration to increase investment in water infrastructure, and foster relationships between businesses and their local utilities. Learn more about the coalition here:

<https://www.businesswatercoalition.com/>

About Metropolitan Washington Council of Governments

The Metropolitan Washington Council of Governments (COG) is an independent, nonprofit association that brings area leaders together to address major regional issues in the District of Columbia, suburban Maryland, and Northern Virginia. COG's membership is comprised of 300 elected officials from local governments, the Maryland and Virginia state legislatures, and U.S. Congress.