

PFAS removal report

Strategies and funding options to address PFAS removal in drinking water and wastewater

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April 29, 2025

Report overview

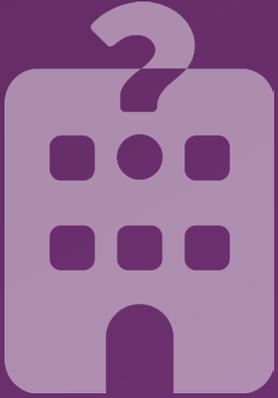
- Legislatively required in 2024
- Builds on 2023 legislative report
- At a concept level, addresses how the Legislature could protect taxpayer funds by establishing fees to fund PFAS removal from drinking water and wastewater



PFAS removal report

Strategies and funding options to address PFAS removal in drinking water and wastewater.

Foundational questions



Who will pay?



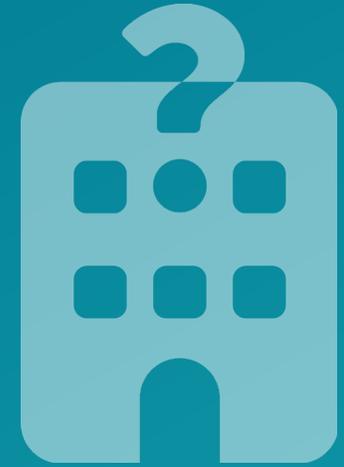
How will fees be structured?



What are fee revenue targets?

Who will pay?

- Number of and who are PFAS manufacturers needs to be determined
 - PFAS manufacturers defined as those that make PFAS or use it in their manufacturing
- Currently, there is much uncertainty:
 - Reporting mechanisms estimate from 1 to 10,000 companies
 - When and whether the information will be public varies
 - Reporting mechanism are changing or may change in the near future
- Data on companies that “manufacture, use, or release” PFAS will become clearer as federal and state programs mature



How will fees be structured?

- A specific fee amount set in statute would be difficult to predict revenue and ensuring funding for specific programs or projects (e.g. bond fee payments)
- Best recommendation is to build a fee structure to meet a specific revenue target set by the Legislature
- Legislature also would set the universe of fee-payers and mechanism for determining each company's fee
 1. All identified PFAS manufacturers pay an equal annual fee.
 2. Some entities pay more based on their volume of PFAS use and/or release.



What are fee revenue targets?

- Drinking water programs/projects to possibly fund
 - Build PFAS treatment at Community Drinking Water Systems (public wells)
 - Sample private drinking water wells for PFAS
 - Address contaminated private drinking water wells (e.g. treatment, connections to municipal water)
- Wastewater programs/projects to possibly fund
 - Source investigations and reduction activities
 - Planning, design, and/or construction grants for:
 - Regional PFAS pretreatment and/or destruction facilities
 - End-of-pipe treatment at municipal wastewater treatment facilities



Estimated drinking water protection costs

\$163.3 million*

for treatment at community water supplies known to have PFAS contamination above federal levels

* Excludes East Metro settlement communities

\$583.1 million

for testing 10% of private wells for PFAS

\$7.3 million

for PFAS removal at homes / structures dependent on impacted private wells (2% of private wells tested)

\$250 million

for other drinking water protection, such as providing bottled water or expanding municipal drinking water areas

Estimated wastewater costs

\$7 – \$85 million

for PFAS source investigation and reduction at about 700 wastewater facilities

\$6 million

per year for planning and designing regional treatment and destruction facilities

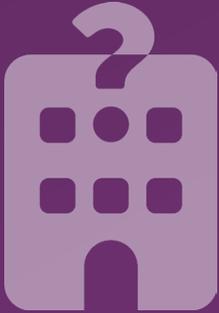
\$10 million

per year for pretreatment systems at certain facilities

Up to \$23.3 billion

over the next 20 years for PFAS treatment at permitted wastewater treatment facilities

Summary: Recommendations to the Legislature



Identify, in statute, who would be subject to fees based on upcoming reporting data.



Set a PFAS fee revenue target



Set in statute a fee mechanism that meets revenue targets through equal assessment or some type of prorated assessment.

Thank you!



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