



OFFICE OF INSPECTOR GENERAL
U.S. ENVIRONMENTAL PROTECTION AGENCY

March 10, 2025

MEMORANDUM

SUBJECT: Response to Planned Corrective Actions for Office of Inspector General
Report No. [25-E-0002](#), *Inadequate Execution of the 7th DWINSA Lead Service Line
Questionnaire Led to Flawed Data Being Used to Allot Lead Service Line Replacement
Funds*, issued October 21, 2024.

FROM: Nicole N. Murley, Acting Inspector General *Nicole N. Murley*

TO: Benita Best-Wong, Deputy Assistant Administrator performing delegated duties as the
Assistant Administrator
Office of Water

Thank you for your December 20, 2024 memorandum, which outlines the U.S. Environmental Protection Agency's planned corrective actions and estimated milestone dates for three unresolved recommendations issued in the subject Office of Inspector General report. Based on the information and supporting documentation provided, we agree that the planned corrective actions meet the intent of our recommendations. We describe our basis for resolution below.

Recommendation 1, which suggested that the EPA "[d]evelop a process to identify unreliable lead service line data from both the 7th Drinking Water Infrastructure Needs Survey and Assessment and future lead service line data collection efforts," is resolved with corrective actions pending. In our report, we described how in 2023 the EPA provided states with the opportunity to update their responses to the 7th Drinking Water Infrastructure Needs Survey and Assessment, or DWINSA, lead service line questionnaire. As a supplement to that effort, the EPA Office of Water engaged with Drinking Water State Revolving Fund Program and Public Water System Supervision managers in December 2024 to discuss the states' perspectives on the available lead service line data. These engagements provided the EPA with further assurance that the data from the 7th DWINSA lead service line questionnaire were the most reliable for the fiscal year 2023 allotments and avoided the resource burden that revisiting those allotments would be on both the EPA and the states. The EPA determined that the subsequent allotments, however, should be based on other sources, especially since LSL data are continuously evolving.

Recommendation 2 is resolved with corrective actions pending. This recommendation suggested that the EPA "identify actions necessary to address unreliable lead service line data and determine whether further data updates are needed to inform Infrastructure Investment and Jobs Act lead service line

allotments for fiscal year 2023 through fiscal year 2026. This should include identifying opportunities to adjust Texas's fiscal year 2023 allotment and assessing whether Florida's fiscal year 2024 allotment is appropriate for fiscal years 2025 and 2026." In response to this recommendation, the Office of Water issued a Notice of Special Condition on Assistance Agreement to Texas and Florida to adjust their allotments for fiscal years 2023 and 2024. Additionally, the Office of Water determined it would use new Lead and Copper Rule Revisions data from the states' water systems to determine future lead service line allotments. These data are more current and were subject to more extensive data-reliability requirements than the 7th DWINSA lead service line questionnaire data. Using these data also addresses our recommendation to ensure that Florida's fiscal years 2025 and 2026 allotments are appropriate.

Recommendation 3, which suggested that the EPA "adjust the Infrastructure Investment and Jobs Act lead service line allotments for fiscal year 2023 through fiscal year 2026 so that the allotted funds are commensurate with the lead service-line-replacement needs of each state," is resolved with corrective actions pending. The EPA's corrective actions in response to Recommendation 2 demonstrate its commitment to evaluate the Texas and Florida lead service line allotments, take appropriate actions to deobligate funds from the capitalization grants awarded to those two states, and reallocate the funds to other states. Also responsive to Recommendation 3 is the Office of Water's determination to use the Lead and Copper Rule Revisions data to calculate the fiscal years 2025 and 2026 lead service line allotments.

All recommendations for the subject report are now considered resolved. You should track implementation of EPA corrective actions in the Agency's audit tracking system until all actions are completed. Because this evaluation involved more than \$250,000 in questioned costs, please provide us with a copy of the final management decision for our records.

We will post this memorandum on our public website at www.epaoig.gov.

cc: Jennifer McLain, Director, Office of Ground Water and Drinking Water, Office of Water
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