

Ohio approved \$2.7 billion in water loans in a single year. The hard part is sequencing what to build first.

Lake Erie's algal blooms, a \$2.4 billion consent decree in Cleveland, one of the nation's largest lead-line inventories, and a record wave of low-interest SRF money — each one moves the projects on your list. Invizion helps Ohio water and wastewater utilities re-sequence a capital portfolio in a click, and defend every trade-off to a board or the PUCO.

\$2.7B¹	\$2.4B²	\$252M¹	3.5³
Water & sewer loans Ohio approved in a single year (FY2025) through the state's revolving-fund programs — 516 projects.	Committed so far to NEORSD's Project Clean Lake to keep roughly 4 billion gallons of sewage a year out of Lake Erie, under a federal consent decree.	Ohio SRF lending & principal forgiveness dedicated to lead service line work through 2025.	NOAA's forecast severity for the 2026 western Lake Erie algal bloom (5+ is severe) — the same bloom type that shut off Toledo's water in 2014.

THE OHIO LANDSCAPE

Four pressures are reshuffling your project list

None of these is theoretical in Ohio, and none of them waits for your next budget cycle. Together they mean the capital plan you approved last year may already be the wrong plan.

SOURCE WATER — LAKE ERIE HABTS

The lake that supplies the north still blooms every summer

In August 2014 a *Microcystis* bloom in western Lake Erie loaded the intake at Toledo's Collins Park plant with the toxin microcystin and forced the city to shut down its public drinking-water supply — the event that put source-water protection on every Ohio utility's agenda.⁴

The bloom did not go away. NOAA forecast a moderate 2026 bloom with a severity index of 3.5, on a scale where anything above 5 is severe and 2015's record bloom (severity 10.5) anchors the top.³ The binational cleanup targets the U.S. and Canada adopted in 2016 aim to cut the phosphorus feeding those blooms — but until they do, treatment and monitoring capital stay on the list.⁵

AGING SYSTEMS — CSOS & CONSENT DECREES

Federal consent decrees are writing your 20-year plan

Ohio's older cities run combined sewers, and the cleanup is court-enforced. The Northeast Ohio Regional Sewer District's Project Clean Lake — a 25-year federal consent decree that runs through 2036 — will cut annual raw-sewage discharges to Lake Erie from about 4.5 billion gallons to 494 million; the district has already committed more than \$2.4 billion²

A consent-decree schedule is a fixed claim on your capital dollars for decades. Everything else — renewal, growth, compliance — has to be sequenced around it, which is exactly where the record SRF loan volume Ohio is now moving gets spent.

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COMPLIANCE — LEAD SERVICE LINES

One of the nation's heaviest lead-line burdens

EPA's 2024 survey put the country at roughly 9.2 million lead service lines, and Ohio ranks among the ten states with the most — a legacy of old industrial cities now facing a federal replacement mandate.⁶

The money has started to move: Ohio's revolving-fund programs have committed about \$252.6 million to lead-line work, in loans plus principal forgiveness, to 35 borrowers through 2025¹ Inventories, verification, and replacement all compete with the rest of the plan on the same clock.

COMPLIANCE — PFAS & AFFORDABILITY

New mandates stack on top of the old backlog

PFAS is now a funded obligation, not a future one. Ohio has already directed about \$57.1 million in emerging-contaminant principal forgiveness to 21 borrowers — treatment and source work that did not exist on capital plans a few years ago¹

New rules don't replace the renewal backlog; they sit on top of it. With rate pressure rising, the question stops being "can we fund everything" and becomes "in what order, and how do we defend it" — the core of every Ohio capital debate.

WHO RUNS OHIO’S WATER

Big public systems, a handful of regulated private providers

Ohio’s major metros run their own water and wastewater utilities and set rates locally. Two large investor-owned providers — Aqua Ohio and Ohio American Water — are rate-regulated by the PUCO, alongside hundreds of small and rural systems. The pressures are shared; the accountability path differs.

Municipal & regional public systems

Rates set by city councils & district boards

Cleveland Water	Largest water supplier in Northeast Ohio
City of Columbus, Division of Water	1.36M residents · 53B gal/yr · 3 plants
Greater Cincinnati Water Works	1.1M+ customers · 3,100 mi of mains
Northeast Ohio Regional Sewer District	Wastewater for 1M+ residents · ~60 communities
City of Toledo (Collins Park WTP)	Lake Erie source water · 2014 HAB shutdown

Investor-owned utilities

Rates & capital recovery regulated by the PUCO

Aqua Ohio (Essential Utilities)	~500,000 residents · 19 counties
Ohio American Water	American Water subsidiary · PUCO-regulated
Hundreds of small & rural systems	Where funding gaps hit hardest

Ohio’s big public systems answer to councils and boards; the two large private providers answer to the PUCO. Either way, capital has to be justified.

Every capital dollar has to be defensible

Whether you answer to the PUCO or a city council, the question is the same: why this project, why now, why at this cost? Ohio's oversight and funding bodies are asking it harder than ever.

Public Utilities Commission of Ohio (PUCO) regulates rates for investor-owned water and wastewater utilities and reviews infrastructure cost recovery through a System Improvement Charge.¹²

City councils & district boards set rates and approve capital for the large public systems — Cleveland, Columbus, Cincinnati, and the regional sewer districts — in public, in front of ratepayers.

H2Ohio, the state's water-quality initiative, funds work to reduce harmful algal blooms, improve wastewater infrastructure, and prevent lead contamination — a state driver on top of federal rules¹³

Federal mandates — lead service line replacement in a state EPA ranks among the worst for lead lines⁸ and the binational Lake Erie phosphorus targets⁵ — convert directly into compliance capital.

The money is moving — can your plan absorb it?

Ohio utilities have more low-interest capital available than in a generation, administered by Ohio EPA and the Ohio Water Development Authority. The constraint is no longer only dollars — it's readiness: which projects are shovel-ready, which qualify, and how the timing lines up with everything else on the list.

Water Pollution Control Loan Fund (Clean Water SRF) approved about \$1.86 billion for wastewater and stormwater projects in FY2025 alone.¹

Drinking Water Assistance Fund (Drinking Water SRF) approved about \$628 million in FY2025 — the low-interest workhorse for treatment, mains, and storage.¹

Lead & emerging-contaminant funding — roughly \$252.6 million committed for lead service lines and \$57.1 million in principal forgiveness for PFAS/emerging-contaminant projects through 2025, much of it BIL-boosted.¹

Ohio Water Development Authority has financed more than \$27 billion in water and wastewater projects since 1968 and added a ~\$218 million Fresh Water loan program in FY2025¹

WIFIA remains a federal option for large borrowers, though Ohio's major systems have so far leaned on the SRF and OWDA rather than closing WIFIA loans.¹⁴

OHIO WATER, IN BRIEF

Questions Ohio utility leaders are asking

Short, sourced answers — the same facts we'll dig into on a call, in the context of your system.

What happened in Toledo in 2014, and is Lake Erie still a risk?

In August 2014 a *Microcystis* bloom in western Lake Erie contaminated the intake at Toledo's Collins Park plant with microcystin and forced the city to shut down its public water supply.⁴ The lake still blooms every summer — NOAA forecast a moderate severity of 3.5 for 2026, and the September 2026 bloom covered about 180 square miles with toxins above the recreational limit — so source-water treatment and monitoring remain live capital items for lake-supplied systems.³

How much water infrastructure funding is available in Ohio right now?

A great deal. In FY2025 alone, Ohio approved about \$2.7 billion in water and sewer loans across 516 projects — roughly \$1.86 billion in Clean Water SRF, \$628 million in Drinking Water SRF, and \$218 million in Fresh Water loans — administered by Ohio EPA and the Ohio Water Development Authority, which has financed more than \$27 billion since 1968.¹

Who sets my utility's water rates in Ohio?

It depends on ownership. The PUCO regulates rates and infrastructure cost recovery for investor-owned utilities such as Aqua Ohio and Ohio American Water, including a System Improvement Charge.¹² The large public systems — Cleveland, Columbus, Cincinnati, and the regional sewer districts — set rates through their own councils and boards. Either way, capital spending has to be justified to a governing body.

How big is Ohio's lead service line problem?

Large. EPA's 2024 survey estimated about 9.2 million lead service lines nationally, and Ohio is among the ten states with the most.⁶ Ohio's revolving-fund programs have already committed roughly \$252.6 million to lead-line work through 2025, but inventory, verification, and replacement will compete with renewal and compliance for years.¹

What is Project Clean Lake and why does the consent decree matter?

Project Clean Lake is the Northeast Ohio Regional Sewer District's 25-year federal consent decree, running through 2036, to cut combined-sewer overflows into Lake Erie — reducing annual raw-sewage discharges from about 4.5 billion gallons to 494 million, with more than \$2.4 billion committed so far.² A consent decree is a fixed, court-enforced claim on capital for decades, so everything else has to be sequenced around it.

How does Invizion help Ohio water utilities plan capital?

Invizion is scenario-based capital portfolio optimization built for water and wastewater utilities. It lets you model how a consent-decree milestone, an SRF award, a lead or PFAS deadline, or a Lake Erie treatment need reshuffles your whole project list, re-sequence the portfolio automatically against your constraints, and keep a defensible record of every decision for the PUCO, your board, or ratepayers. The best next step is a short first meeting to look at it

against your own program.

REFERENCES

Sources

Every figure in this briefing is tied to a primary or authoritative source.

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3. NOAA National Centers for Coastal Ocean Science, 2026 western Lake Erie HAB forecast — severity index 3.5 (moderate; above 5 severe, above 7 particularly severe); ~180 mi² bloom with toxins above the recreational limit as of Sept 6, 2026; 2011 = maximum observed bloom. coastalscience.noaa.gov
4. Steffen, M. M. et al., “Ecophysiological Examination of the Lake Erie *Microcystis* Bloom in 2014: Linkages between Biology and the Water Supply Shutdown of Toledo, OH,” *Environmental Science & Technology*, 2017 — documents the 2014 Lake Erie bloom that shut down Toledo’s public water supply. doi.org/10.1021/acs.est.7b00856
5. U.S. EPA, “U.S. Action Plan for Lake Erie” (Great Lakes Water Quality Agreement, Annex 4) — U.S. and Canada adopted phosphorus-reduction targets for Lake Erie in 2016. epa.gov
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8. City of Columbus, Department of Public Utilities, Division of Water — serves over 1.36 million residents, ~53 billion gallons/year (145.1 MGD avg), three treatment plants (Dublin Road, Hap Cremean, Parsons Avenue). columbus.gov
9. Greater Cincinnati Water Works, “About Us” — more than 1.1 million customers (~240,000 accounts), 3,100 miles of water main, 43+ billion gallons/year across Hamilton, Butler, and Warren counties plus Boone County, KY. cincinnati-oh.gov
10. Northeast Ohio Regional Sewer District, service area — conveys and treats wastewater for more than one million residents across roughly 60 communities in Greater Cleveland. neorsd.org
11. Aqua Ohio (an Essential Utilities / Aqua America subsidiary) — serves approximately 500,000 residents across 19 counties in Ohio. aquaamerica.com
12. Public Utilities Commission of Ohio, Water & Wastewater — regulates investor-owned water/wastewater rates and reviews the System Improvement Charge for infrastructure cost recovery. puco.ohio.gov
13. H2Ohio — Governor Mike DeWine’s water-quality initiative to reduce harmful algal blooms, improve wastewater infrastructure, and prevent lead contamination. h2.ohio.gov
14. U.S. EPA, WIFIA closed loans — no Ohio water/wastewater borrowers among closed WIFIA loans as of the current list; context for Ohio’s reliance on the SRF/OWDA. epa.gov/wifia

ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for water and wastewater utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See what a defensible Ohio capital plan looks like — book a 20-minute first meeting.

Book your first meeting →