

One filtration plant now costs \$2.58 billion. Oregon's capital math has changed.

Portland's Bull Run filtration program, source-water shocks from algae and wildfire, drought in the Klamath Basin, and fast growth in central Oregon are all moving project lists at once — while a generation of federal funding lands. Invizion helps Oregon utilities re-sequence a capital portfolio in a click, and defend every decision.

\$2.58B¹ Total cost of Portland's Bull Run Filtration program after the FY 2026–27 budget — up from an early, low-confidence 2017 estimate.	\$15.6B² Oregon's 20-year drinking-water and wastewater infrastructure needs (\$10.1B water + \$5.5B wastewater).	\$490M² Federal State Revolving Fund water dollars flowing to Oregon since 2022 — about \$123M earmarked for lead lines.	1 in 4³ Oregonians get their water from the Portland Water Bureau's Bull Run supply.
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THE OREGON LANDSCAPE

Four forces are moving your project list at once

None of these is theoretical, 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.

COMPLIANCE — THE MEGAPROJECT

A single mandate can dwarf your entire program

Portland is building a Bull Run filtration facility to remove *Cryptosporidium* and comply with state and federal drinking-water rules, with a hard deadline of September 2029.⁴ The program now carries a \$2.58 billion cost after the FY 2026–27 budget — up sharply from an early, low-confidence 2017 estimate, driven by inflation, supply-chain and labor constraints, and permitting delays.¹

Portland is the extreme case, but the pattern is statewide: Oregon carries roughly \$15.6 billion in 20-year drinking-water and wastewater needs.² One compliance mandate can consume a decade of capacity — and everything else on the list has to move around it.

QUALITY — SOURCE WATER

Your watershed is now a capital risk

In 2018, a harmful algal bloom in Detroit Lake pushed cyanotoxins into Salem's North Santiam supply and triggered a drinking-water advisory for vulnerable residents — after which Oregon adopted cyanotoxin monitoring requirements for surface-water systems.⁵ Wildfire in the McKenzie and Santiam watersheds has since raised the same question for other systems.

Lead is the quieter driver. Portland has few utility-owned lead service lines, but it added improved corrosion control treatment in 2022 to further cut lead from home plumbing.¹ treatment has reduced lead at the tap by at least 50% since 1997.⁶ Source protection, treatment upgrades, and lead work are all capital lines competing for the same dollars.

SUPPLY — DROUGHT

Water is less certain east of the Cascades

The Klamath Basin has become the sharpest water conflict in the West — over-allocated supply, tribal and ecological claims, and recurring drought. The 2024 removal of four Klamath River dams, the largest dam removal in history, reshaped the basin but not its scarcity.⁷

Central and eastern Oregon utilities plan against snowpack and groundwater that no longer behave predictably. When a supply source tightens, the capital response — new wells, storage, interties, reuse — competes directly with renewal and compliance on the same constrained budget.

DEMAND — GROWTH

The fastest-growing systems have the least slack

Bend is among the fastest-growing cities in Oregon, reaching about 104,557 residents in 2023 — a 5.4% increase since the 2020 Census.⁸ The Portland metro's Washington County is building the Willamette Water Supply Program, a new regional source backed by more than \$600M in federal WIFIA loans.⁹

Every new connection is a capacity commitment. Growth-driven capital competes for the same dollars as renewal and compliance — and the sequencing between them is exactly what boards fight over.

WHO RUNS OREGON'S WATER

A municipal state, with a long tail of small systems

Oregon's water is overwhelmingly public: large city bureaus, customer-owned utilities, and regional water districts, plus hundreds of small and rural systems. Investor-owned utilities are a small share, regulated by the Public Utility Commission.

Municipal & public utilities

Rates set by city councils & utility boards · capital approved by governing bodies

Portland Water Bureau Serves ~1 in 4 Oregonians via Bull Run ³

Eugene Water & Electric Board (EWEB) Oregon's largest customer-owned utility · 86,000+ customers¹⁰

City of Salem North Santiam / Geren Island supply

City of Bend Fast-growing central Oregon system ⁸

Gresham, Hillsboro, Beaverton, Medford Large municipal & district providers

Hundreds of small & rural systems Where funding and capacity gaps hit hardest

Regional districts & investor-owned

Districts governed by boards · IOU rates regulated by the Oregon PUC

Tualatin Valley Water District Willamette Water Supply Program partners⁹

Willamette Water Supply System New regional source (TVWD + Hillsboro)⁹

Investor-owned water utilities Small share · rates set by the Oregon PUC¹¹

Special districts & people's utility districts Rockwood, Sandy & others⁹

The Willamette Water Supply Program alone secured more than \$600M in federal WIFIA loans across Tualatin Valley Water District and Hillsboro.⁹

Every capital dollar has to be defensible

Most Oregon utilities answer to a city council or an elected board rather than a commission — but the question is the same: why this project, why now, why at this cost?

Oregon Health Authority — Drinking Water Services administers and enforces drinking-water standards for the state's public water systems, including the Lead & Copper Rule and post-2018 cyanotoxin monitoring.⁵

Oregon Public Utility Commission (PUC) regulates rates and capital recovery for the state's investor-owned water utilities — a small share of Oregon's systems.¹¹

Oregon DEQ holds Clean Water Act authority for wastewater permits and administers the Clean Water State Revolving Fund.¹²

City councils & utility boards approve municipal water and wastewater capital plans in public, in front of ratepayers.

The money is moving — can your plan absorb it?

Oregon utilities have more capital funding available than they've had in a generation. 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.

Safe Drinking Water Revolving Loan Fund — about \$335M in federal drinking-water SRF has flowed to Oregon since 2022, including roughly \$123M dedicated to lead line replacement; it is co-administered by the Oregon Health Authority and Business Oregon.²

Clean Water State Revolving Fund — about \$155M in federal wastewater SRF since 2022, administered by Oregon DEQ with low-interest loans and principal forgiveness for disadvantaged communities.²¹²

WIFIA loans — EPA has closed more than \$1B for Portland's Bull Run program (\$727M in 2021, \$319M in 2024) plus \$388M for Tualatin Valley Water District and \$251M for Hillsboro on the Willamette Water Supply Program.⁹

A \$15.6B need against a fraction in funding — federal SRF investment covers only a few percent of Oregon's identified 20-year gap, so prioritization decides which projects actually get built.²

OREGON WATER, IN BRIEF

Questions Oregon utility leaders are asking

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

Why does Portland's Bull Run filtration plant cost \$2.58 billion?

Portland must filter its Bull Run supply to remove *Cryptosporidium* and comply with state and federal drinking-water rules by September 2029. The program cost reached \$2.58 billion after the FY 2026–27 budget — up sharply from an early, low-confidence 2017 estimate — driven by inflation, supply-chain and labor constraints, and permitting delays. It is financed in part by more than \$1 billion in WIFIA loans¹⁴

What happened to Salem's drinking water in 2018?

A harmful algal bloom in Detroit Lake pushed cyanotoxins into Salem's North Santiam supply in 2018, triggering a drinking-water advisory for vulnerable residents. Oregon subsequently adopted cyanotoxin monitoring requirements for surface-water systems, and source-water quality has stayed on utility capital agendas since.⁵

How much federal funding is available to Oregon water utilities?

About \$490 million in federal State Revolving Fund water dollars has flowed to Oregon since 2022 — roughly \$335M for drinking water (including about \$123M for lead lines) and \$155M for clean water. On top of that, EPA has closed more than \$1 billion in WIFIA loans for Portland's Bull Run program and hundreds of millions more for the Willamette Water Supply Program. Against roughly \$15.6 billion in 20-year needs, that funding covers only a fraction of the gap.²⁹

Who sets water rates in Oregon?

Most Oregon water is public: rates are set by city councils and elected utility boards, not a commission. The Oregon Public Utility Commission regulates only the state's investor-owned water utilities, a small share of systems. Either way, capital spending has to be justified to a governing body and, increasingly, to ratepayers.¹¹

What are the biggest water challenges facing Oregon utilities?

Large compliance mandates like Portland's \$2.58B Bull Run filtration build, source-water shocks from algae and wildfire, drought and over-allocation east of the Cascades, and fast growth in places like Bend. All four compete for the same constrained capital, on overlapping deadlines³⁷⁸

How does Invizion help Oregon water utilities plan capital?

Invizion is scenario-based capital portfolio optimization for water utilities. It lets you model how a filtration mandate, a funding award, a drought, or a growth surge reshuffles your whole project list, re-sequence the portfolio automatically against your real constraints, and keep a defensible record of every decision for your council, 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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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 Oregon capital plan looks like — book a 20-minute first meeting.

Book your first meeting →