

SOUTHWEST PIPELINE PROJECT

Pipeline being laid for the SWPP.



Authorized by the North Dakota Legislature in 1981, the Southwest Pipeline Project (SWPP) transports raw water from Lake Sakakawea to Dickinson or Zap where it is treated and delivered to the Project's customers in southwest North Dakota and Perkins County, South Dakota. Since construction began in 1986, the Project now includes three water treatment plants, 35 pumping stations, 29 water storage reservoirs, and over 5,000 miles of pipe.

The SWPP is owned by the state of North Dakota and administered through the Water Commission. In 1996, the operation and maintenance of the SWPP was transferred to the Southwest Water Authority (SWA), a political subdivision established by the State Legislature. The SWA is governed by a 15-member, publicly elected board of directors, representing jurisdictions throughout the SWPP service area.

Quick Facts

- 56,000 Water Users
- 33 Communities
- 23 Contract Customers
- 21 Raw Water Customers
- 2 Rural Water Systems
- 7,130 Rural Customers



RETURN ON INVESTMENT (REPAYMENT)

Capital repayment is a portion of the water rate charged by SWA to pay back the cost of construction of the Project. While the SWPP has been a substantial investment for the State of North Dakota, the Project has started to pay dividends back to the state. These capital repayments will be made in perpetuity. As of June, 2018, North Dakota's return on investment (ROI) in the SWPP is approximately \$60 million, or 24 percent ROI for the state, factoring in state grants and bonds.

THE REPLACEMENT & EXTRAORDINARY MAINTENANCE (REM) FUND

The REM fund was created to cover costs of an extraordinary nature or to replace parts as they reach their life expectancy. A portion of the rate charged to SWPP's users goes into the REM fund. Originally, the rate was set at \$0.30 per thousand gallons of water sold, and has gradually increased to \$0.70 in 2018. Currently, over \$18 million is available in the fund for REM purposes. Disbursements from the REM fund must be approved by the Commission and SWA Board of Directors.

2017-2019 FUNDING & PROGRESS

SWA requested \$84 million for the 2017-19 biennium. The request was based on several projects SWA hoped to complete depending on funding, including Dodge and Richardton pump station upgrades, a supplemental intake pump station at Lake Sakakawea, Ray Christensen Pump Station upgrades, and various alignments of parallel pipelines. As of October 2018, a total of \$13.5 million had been committed to the project during the 2017-2019 biennium.

Progress on the SWPP during the 2017-2019 biennium continues to move forward. A supplemental raw water intake is under construction at Renner Bay, Lake Sakakawea. The secondary intake will increase capacity for the entire project. The construction of the supplemental water treatment plant (Southwest Water Treatment Plant) in Dickinson is mostly complete. The plant started producing finished water in February 2018. The residual handling facility, which would process the lime sludge from the existing water treatment plant and Southwest Water Treatment Plant, is under construction with most of the concrete work completed.

Construction of second raw water reservoirs, at both Dickinson and Richardton, are mostly complete with both tanks expected to be operational in 2018. Construction of the first phase of paralleling the raw water transmission pipeline from the intake to Zap to increase transmission capacity is also mostly complete. The contract for pump station upgrades at the Dodge and Richardton pump station is currently advertised for bids, with construction expected to be completed in spring 2020.

