

ASCENSION PARISH REGIONALIZATION PROJECT

WHO WE ARE

National Water Infrastructure (NWI) is a modern infrastructure company committed to delivering clean water through reliable, state-of-the-art systems — offering a proven model for communities facing aging infrastructure.

Cities and local governments are increasingly pressured to update or expand municipal infrastructure but have limited resources to accomplish this goal. We provide solutions by working side-by-side with municipalities to identify their key infrastructure development priorities.

POTENTIAL PROJECTS

DRINKING WATER

Water treatment and distribution systems

FUTURE DEVELOPMENTS

Consolidated sewer system design, installation, and operations

WASTEWATER

Collection system consolidations, regionalizations, upgrades, expansions, or repairs

OPTIONS FOR PARTNERSHIPS AVAILABLE

We partner with communities to improve their infrastructure through agreement structures that best fit the needs of the community.

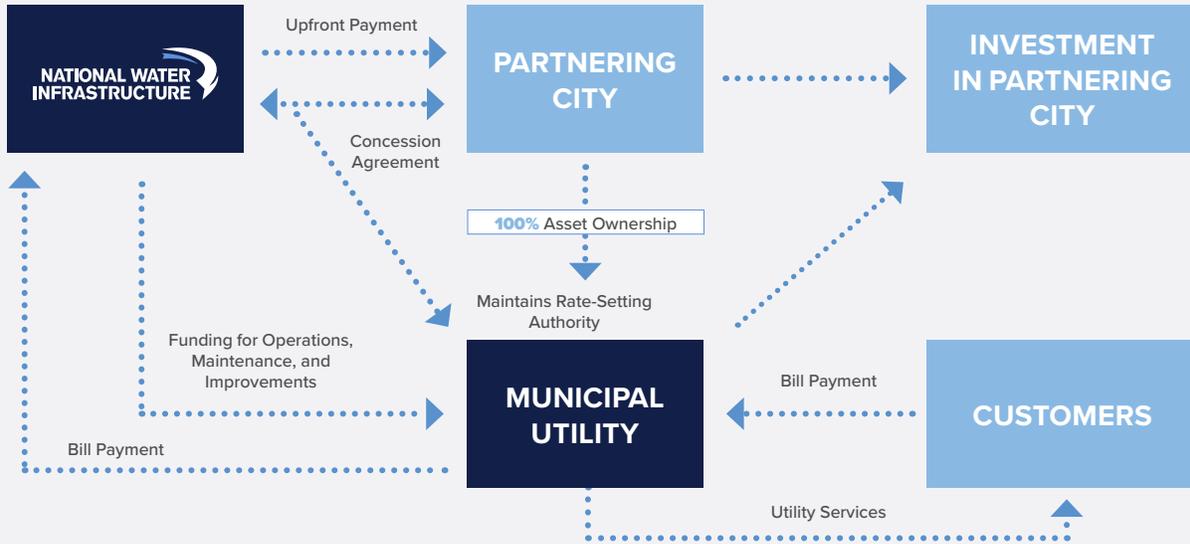
NWI invests in high-quality sewer treatment solutions with a goal of returning the healthiest water possible to the environment. Founded in 1994, NWI has grown into one of Louisiana's largest privately owned sewer utilities, serving more than 23,000 customers across the state. NWI is proud to be one of Bernhard Capital Partners' (BCP) Louisiana-based portfolio companies.

SERVICES INCLUDE:

- Wastewater Design
- Operations & Maintenance
- Sampling, Testing, Monitoring, & Reporting
- Sludge Monitoring & Removal
- Video Inspection
- Telemetry & Monitoring
- Line Repair
- Sewer System Rehabilitation

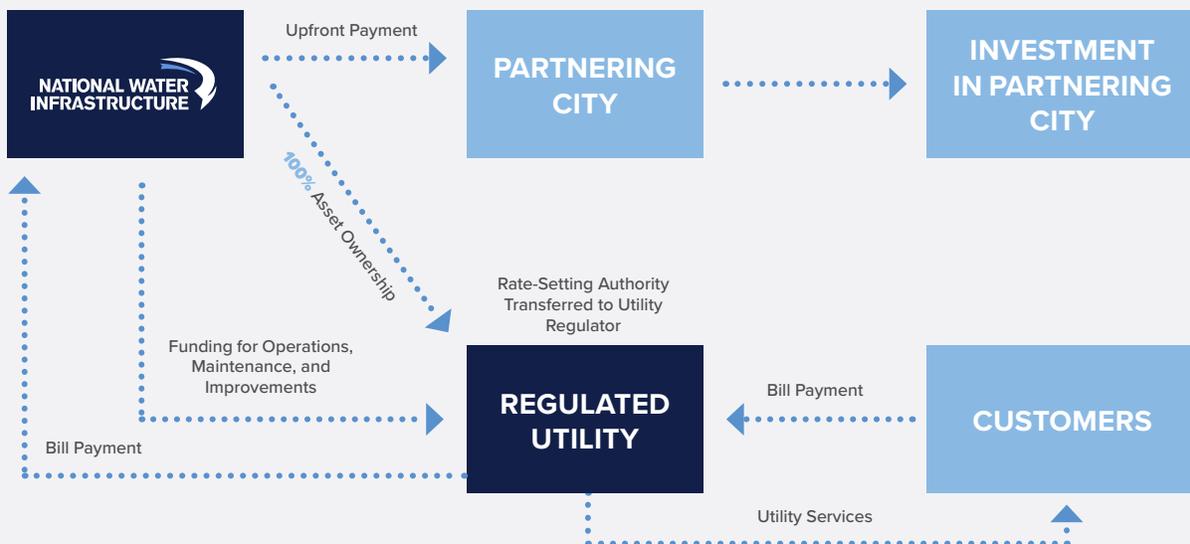
CONCESSION OR COOPERATIVE ENDEAVOR AGREEMENT

Ownership of the utility system, ultimate control of the assets, and rate-setting authority will continue to be held by the municipal utility. Owners, employees, and their benefits can be fully retained.



SALE OF UTILITY

Ownership of the utility system and control of the assets would be sold to NWI, which is a regulated utility, and rate-setting authority would transfer to the applicable utility regulator, such as the public service or utilities commission. Owners, employees, and their benefits can be fully retained.



GOVERNANCE OPTIONS: CONCESSIONS VS. SALE

The sale and concession models potentially provide a substantial infusion of capital into cities/parishes, immediately delivering an upfront payment that can be used for infrastructure projects and social initiatives without raising taxes.

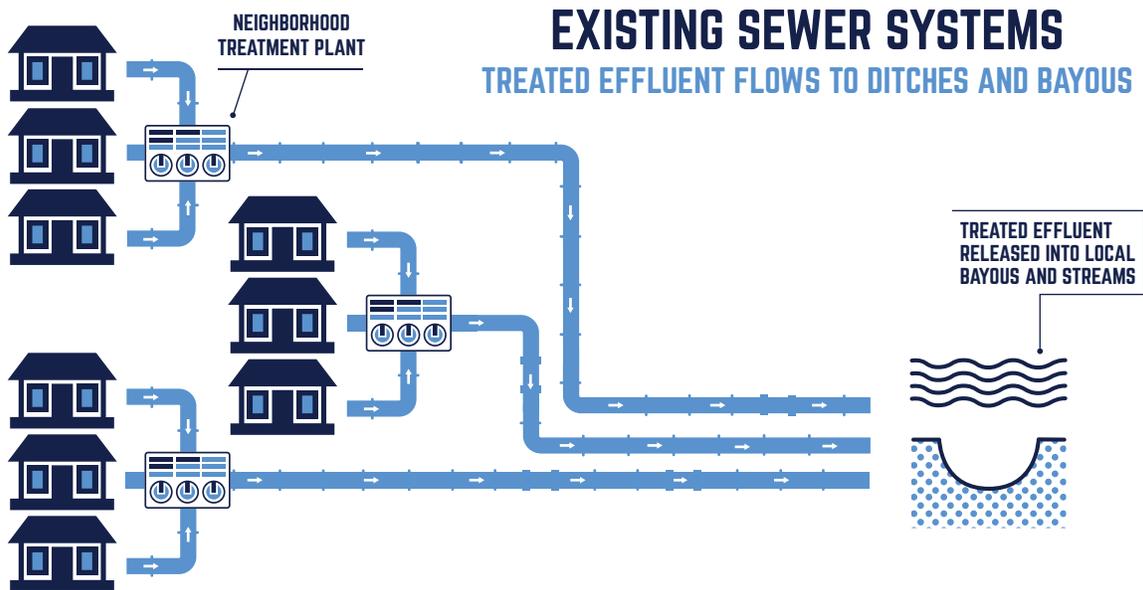
Key Considerations	Status Quo	Sale of the Utility	Concession Partnership
Value provided to fund priority needs	X	✓	✓
Improves the owner's credit position	X	✓	✓
Does not require increase in taxes	✓	✓	✓
Defeasement of all outstanding debt	X	✓	✓
Ownership, control, and management retained by existing entities	✓	X	✓
Grants and government funding sources remain available	✓	X	✓
Owners, employees, and their benefits are fully retained	✓	✓	✓
Rates continue to be determined locally	✓	X	✓
Rates determined by the LPSC	X	✓	X
Generally requires election	X	✓	X



CASE STUDY: ASCENSION PARISH REGIONALIZATION PROJECT

PROBLEM

- For years, Ascension Parish, one of the fastest-growing parishes in Louisiana, struggled to make the necessary investments in wastewater infrastructure to keep pace with its dramatic growth.
- Central sewer service is not available in the parish, and the current system of disparate package treatment plants could not support the existing community needs or future growth. Each neighborhood, school, or shopping center has a sewer treatment plant located within and discharging sewer effluent into the nearest ditch, bayou, or waterway.
- The impaired status of Ascension Parish waterways has reached a critical level, affecting the feasibility of proposed and future developments.
- The parish's public sewer system only serves around 2,000 residents and doesn't generate enough money to cover the costs of operation and maintenance. Over the past ten years, the parish has spent over \$42 million subsidizing sewer for its customers and has been unable to invest in needed infrastructure upgrades.



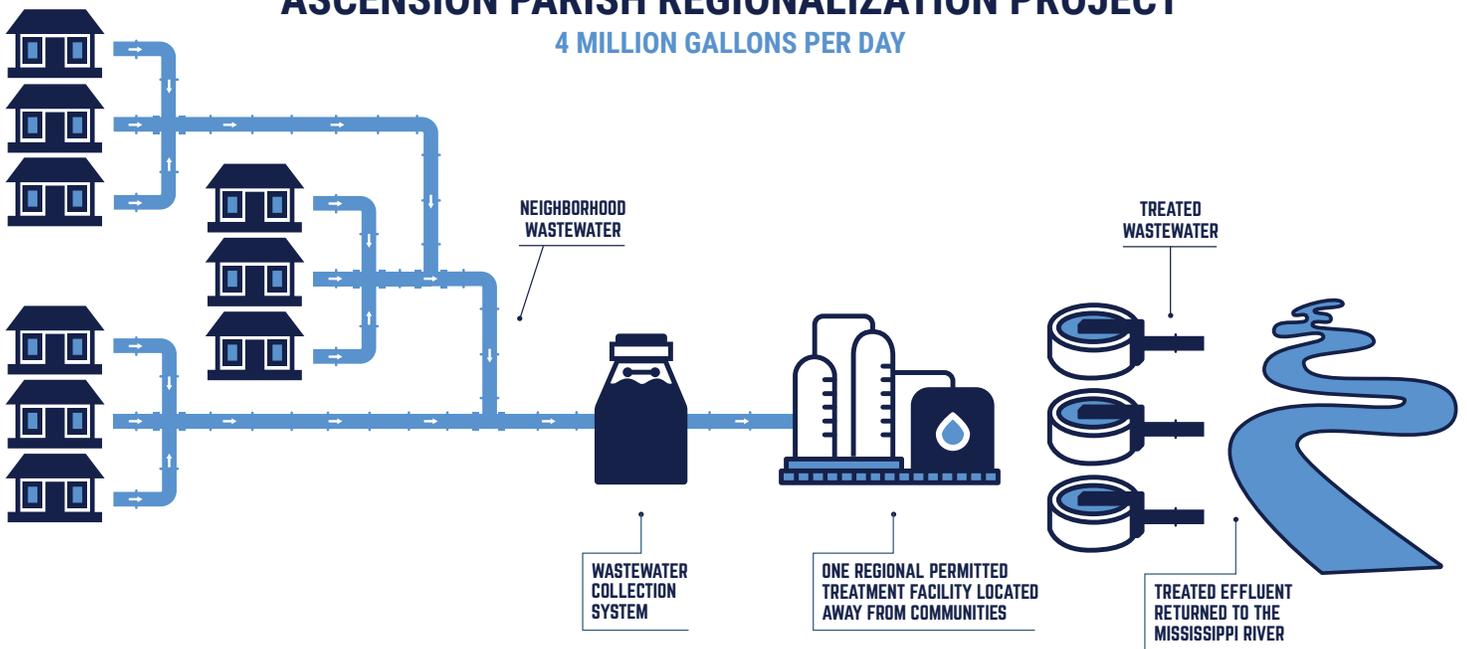
SOLUTION

BCP identified the opportunity for private capital investment to solve this longstanding issue and engaged with key, local stakeholders to consolidate and modernize Ascension's wastewater infrastructure. The Ascension Parish Regionalization Project (APRP) provides several benefits to the community:

- Creates significant environmental benefits by removing over 4 million gallons of discharge per day from impaired waterways
- Consolidates 72 separate sewer plants located near neighborhoods, businesses, and schools and transports the sewage to a large regional plant
- Provides greater resilience during natural disasters or emergency situations
- Improves drainage by mitigating a constant source of ground saturation

ASCENSION PARISH REGIONALIZATION PROJECT

4 MILLION GALLONS PER DAY



NWI will initially consolidate 80 wastewater collection systems and decommission approximately 72 existing package treatment plants and modify the pump stations at the existing treatment sites to enable wastewater to be pumped through a new regional collection system to a new central treatment plant discharging into the Mississippi River in accordance with DEQ permit restrictions.

This project will permanently remove 4 million gallons per day of treated effluent from the already environmentally stressed waterways of Ascension Parish, and additional capacity will be available to accommodate growth in the service area.

CASE STUDY: TIMELINE

- **2018:** BCP entered into exploratory discussions with Ascension Parish Government (APG) to determine an approach to consolidating sewer to resolve a problem that had been studied for decades.
- **2019:** BCP joined local sewer provider Ascension Wastewater Treatment (AWT), who had a base of over 17,000 sewer customers to form Ascension Sewer.
- **May 2019:** APG and Ascension Sewer entered into a 30-year term Cooperative Endeavor Agreement (CEA) to jointly develop an investment and construction plan for a regional wastewater treatment system.
- **2020:** New parish president renegotiated governance structure with the goal of getting the parish out of the sewer business altogether by selling its sewer assets to NWI.
- **2020:** BCP acquired AWT and created a new utility company, NWI.
NWI accommodated the changing needs of APG and reworked the structure into a conveyance and franchise agreement, in which NWI will invest nearly \$200 million in sewer infrastructure and pay the parish for the sale of assets, plus an annual franchise fee.
- **April 2021:** Citizens of the parish voted to sell the parish's public wastewater utility assets to NWI.
- **August 2023:** Project approved by a unanimous vote of the LPSC.
- **2022-2023:** Hydraulic modeling begins to map how wastewater moves through the parish's existing pipes and treatment systems, informing design and engineering decisions.
- **2025:** After an extensive search, NWI secures a project site located in a heavy industrial corridor—far away from neighborhoods and residential areas.

COMMUNITY ENGAGEMENT

- The conveyance agreement was the result of extensive dialogue between NWI, and the parish administration, the Ascension Parish Council, and was the subject of numerous parish council and public meetings, news articles, and community events.
- During the process, NWI met with numerous stakeholder groups, including Ascension Parish Chamber of Commerce, Ascension Parish School Board, rotary clubs, environmental groups, realtors, business organizations, elected officials, and neighborhood organizations.
- NWI also developed a public education program, including a website, social media, public open house meetings, and interactive webinars inviting the general public to learn more about the proposed project.

BENEFITS TO THE PARISH

- NWI will invest over \$185 million in sewer infrastructure and pay the parish \$9.26 million for the sale of assets.
- NWI will also pay the parish an annual franchise fee, equating to 4.5% of gross revenues collected in Ascension Parish, which starts at approximately \$500,000 a year—an amount that will likely increase in the future as new customers are added to the system.
- The plan frees up nearly \$13.5 million that the parish has dedicated to fund sewer construction, making it available for other important infrastructure priorities.
- The parish will also save \$3 million every year in taxes assessed to all parish residents that have historically been allocated toward subsidizing parish sewer costs
- The secretary of the Louisiana Department of Environmental Quality described the project as “necessary and urgent to provide needed water quality and environmental benefits to the affected and surrounding areas.”

CONSIDERATIONS

- The Ascension Parish project will drive economic development in the parish and attract more customers to NWI’s service territory, ultimately spreading the cost across more users and stabilizing future rates.
- The conveyance model was ultimately most beneficial to combine the public assets and customer base that already existed in the parish.
- The APRP provides a roadmap for other municipalities that are seeking private capital to solve the increasing demands of operating public utilities—attracting and retaining human capital, addressing years of deferred maintenance, and securing capital to invest in growth.
- Once the assets are transferred, the parish will no longer be in the sewer business and the use of proceeds from the sale can be allocated to other funding priorities.
- This demonstrates NWI’s approach to investing in the long-term, as the project represents a win for the environment, a win for NWI employees, and a win for customers.

INVESTMENT TO EMPOWER COMMUNITIES

UNIQUE SOLUTIONS TO MEET CURRENT CHALLENGES

We partner with communities to improve their infrastructure through agreement structures that best fit the needs of the community. This can be a sale of the assets to NWI—ownership of the utility system, ultimate control of the assets, and rate-making authority will transfer or a concession partnership, where these features are retained by the community.

Creating Stronger Communities

Leveraging Federal and State Support

Get Out of the Sewer Business

