

State Fiscal Year 2011 Update #2

Tuesday, August 3, 2010

Green Project Reserve Addendum to Financial Assistance Application New Form Required

New federal regulations require each state to reserve 20% of their capitalization grants for financing projects that address green infrastructure, water efficiency, energy efficiency, or other environmentally innovative activities. EPA calls this 20% of a capitalization grant the Green Project Reserve (GPR). Wisconsin may lose federal funding if we are unable to meet the GPR requirement.

All applications for Financial Assistance are now required to include an additional form titled *Environmental Improvement Fund Green Project Reserve Addendum to Financial Assistance Application*. This form is available on the EIF website at <http://dnr.wi.gov/org/caer/cfa/EL/Section/news.html>.

If you have previously submitted an application for funding during SFY 2011 or are completing a new application you will need to download this new form, complete it as applicable, and submit it to the DNR. This form must be submitted even if your project contains no GPR elements.

EPA issued a guidance document, *Green Project Reserve: Guidance for Determining Project Eligibility*, dated April 21, 2010. This document has been posted on the EIF website and must be referenced when completing the *GPR Addendum to Financial Assistance Application*. Please note that there are eligibility differences from the previous EPA green guidance for ARRA projects. For example, I/I repair and replacement projects were ineligible as GPR projects under ARRA but are now eligible if substantiated with a business case showing that the project saves energy by eliminating the need for additional treatment. Please see the *GPR Differences Quick Chart* for further information on differences between the ARRA guidance and the April 2010 GPR guidance as well as eligibility differences between the CWSRF and the DWSRF. This document is also available on the EIF website at the link listed above.

Contact Becky Scott at rebecca.scott@wisconsin.gov or 608-267-7584 if you have questions regarding the CWFP GPR, or Jeanne Cargill at jeanne.cargill@wisconsin.gov or 608-267-7587 if you have questions regarding the SDWLP GPR.