Pilot Projects Program

Learn about the Environmental Loans programs and find guidance at dnr.wi.gov/Aid(EIF.html)

Funding for non-traditional wastewater treatment alternatives

The purpose of the Pilot Projects Program, a subprogram of the Clean Water Fund Program (CWFP), is to provide subsidized loans (low interest rates) to municipalities seeking to fund adaptive management projects, water quality trading projects, and other non-traditional projects (i.e., projects not related to a wastewater treatment plant upgrade) for compliance with a municipality’s Wisconsin Pollutant Discharge Elimination System (WPDES) permit. DNR is working to further define and refine this program in parallel with its WPDES Program.

Implementation details are outlined in the governing Wisconsin State Statutes and Administrative Codes:

- ss. 281.58 and 281.59, Wis. Stats.
- ch. NR 162, Wis. Adm. Code

Interest rates as low as 0.000%

- Eligible CWFP pilot projects may be awarded loans with an interest rate as low as 0%.
- The portion of eligible CWFP projects for receiving and storing septage, and capacity for treating septage; as well as for mercury remediation at wastewater treatment facilities will receive an interest rate of 0%.

Pilot projects will be considered on a case-by-case basis

Eligible pilot projects must:

- achieve or maintain compliance with regulations under the Clean Water Act (CWA);
- be eligible for CWFP funding; and
- include practices identified in a DNR-approved adaptive management or water quality trading plan.
  - Plans must include the activities and costs for reducing nutrient outputs to the system.

How may the funds be used?

DNR is still assessing what costs might be covered through a pilot project.

- Practices included in a DNR-approved adaptive management or water quality trading plan would likely be eligible for pilot project funding; however, specific activities must be reviewed for federal requirements.
- Monitoring and planning costs for adaptive management and water quality trading are likely to be eligible, assuming they are associated with construction activities.
- Partnerships between the municipality and local land and water conservation experts (e.g., county land conservation staff) to fully implement an adaptive management or water quality trading project would be considered as part of a pilot project.
- Mercury remediation at publicly-owned wastewater treatment facilities may be funded as pilot projects.
Who may apply?
Eligible applicants and funding recipients, also referred to as municipalities or local governments, include: Wisconsin cities, towns, villages, counties, town sanitary districts, county utility districts, municipal water districts, metropolitan sewerage districts, public inland lake protection and rehabilitation districts, joint local water authorities (created under s. 66.0823, Wis. Stats.), and federally recognized American Indian tribes or bands in Wisconsin.

How do we apply for funding?
Municipalities will need to follow the DNR permit process for adaptive management or water quality trading, including obtaining DNR approval of required plans. Plans must include the activities and costs for reducing nutrient outputs to the system. Municipalities with DNR-approved adaptive management or water quality trading plans will follow the same initial application process as traditional CWFP projects.

Financial assistance application
Application guidance and considerations are available under the How to Apply tab on our webpage at dnr.wi.gov/Aid/EIF.html#tabx3

- Pre-Application Deadline: All Intents to Apply (ITAs) & Priority Evaluations and Ranking Formulas (PERFs) must be submitted online by October 31st for the following state fiscal year funding cycle.
- Application Deadline: financial assistance applications for pilot projects are accepted year-round.

DNR resources
Wisconsin Pollutant Discharge Elimination System (WPDES) Permits
- dnr.wi.gov/topic/wastewater/permits.html

Adaptive Management (AM)
- dnr.wi.gov/topic/surfacewater/adaptiveemanagement.html

Water Quality Trading (WQT)
- dnr.wi.gov/topic/surfacewater/waterqualitytrading.html

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