

**STATE OF WISCONSIN
CLEAN WATER FUND PROGRAM
STATE REVOLVING FUND**

**RESPONSE TO COMMENTS
on the
SFY 2021 INTENDED USE PLAN**

The 21-day public comment period for the SFY 2021 Clean Water Fund Program (CWFP) Intended Use Plan (IUP) opened on July 6, 2020 and closed on July 27, 2020. During that time period, two comments were received. The table below lists the comments received and the DNR response, including any clarifications that were subsequently made in the final version of the Intended Use Plan.

IUP Section	Comment	Submitted by	DNR Response
Overall	The IUP has many positive components, including the transition to online submission, the transfer to the Safe Drinking Water Loan Program for lead service line replacement, and the continued partnership with Focus on Energy.	Senator Robert Cowles, Wisconsin's 2nd Senate District	Thank you for your comment.
Section XI. G. Other Policies Regarding Principal Forgiveness	<p>I noticed the SDW IUP included the following statement in section XIV, b, third bullet point "Jointly-funded Financial Hardship Scenarios--If a municipality is in dire financial hardship and cannot fund a project while complying with the policies above, the SDWLP will collaborate with other long-term, affordable funding sources on a case-by-case basis to consider available options to meet the financial needs of the municipality's project."</p> <p>The CWF IUP does not contain a similar type statement for hardship scenarios. I think the CWF IUP would greatly benefit from a similar type provision that would only further promote the 2nd bullet point in the long-term goals "Maintain effective partnerships with other State and Federal financing sources to coordinate funding and promote efficiency for both the agencies and the applicants".</p>	Nathan Billingham, Community Programs Director, WI USDA Rural Development	A comparable statement was added to the final CWFP IUP.

<p>Section XII. Pilot Projects Program</p>	<p>Today, I wanted to take a moment to briefly provide comments on the new pilot project for non-traditional projects. I was pleased to learn about the addition of this pilot in the draft IUP as someone who's long searched for innovative ways to advance Wisconsin's water, including by authoring the Phosphorus Multi-Discharger Variance (2013 Act 378 and 2015 Act 205) and Pollution Prevention Partnerships: Wisconsin's Trading Marketplace (2019 Wisconsin Act 151) legislation.</p> <p>I particularly appreciate the strong focus on water quality trading projects for phosphorus reduction efforts in this pilot project. Creating different requirements to qualify for funding and providing zero-percent interest loans allows utilities of all sizes to explore this exciting option.</p>	<p>Senator Robert Cowles, Wisconsin's 2nd Senate District</p>	<p>Thank you for your comments and support. The department is also committed to finding ways to support municipalities in their efforts to reduce phosphorus concentrations in Wisconsin's waterways. In addition to the Pilot Projects Program, we offer additional principal forgiveness for traditional wastewater projects constructed for the purpose of meeting more stringent effluent limits for phosphorus.</p>
<p>Section XII. Pilot Projects Program</p>	<p>With regulatory standards in some areas tightening quickly, this pilot program has a chance to do more good to help wastewater utilities with a modification to the way the program is drafted. To fully take advantage of this opportunity, <u>I'm asking that you allow pollution trading credits purchased from a third-party marketplace to qualify for CWFPP pilot project loans.</u></p>	<p>Senator Robert Cowles, Wisconsin's 2nd Senate District</p>	<p>Unfortunately, the CWFPP is unable to make the requested change to allow the purchase of pollution trading credits. Program guidance from EPA indicates that the purchase of pollution trading credits is not eligible under the regulations governing the Clean Water State Revolving Fund.</p>