

Pilot Projects Program

Learn about the Environmental Loans programs and find guidance at dnr.wi.gov/aid/eif.html.

Funding for Non-Traditional Projects (e.g. Phosphorus)

The Pilot Projects Program, a subprogram of the Clean Water Fund Program (CWFP), is to provide subsidized loans (**reduced-interest rate loans**) to municipalities seeking to fund adaptive management, water quality trading, and other non-traditional projects for compliance with a municipality's Wisconsin Pollutant Discharge Elimination System (WPDES) permit. Pilot projects generally are for reducing nutrient (e.g. phosphorus) outputs to the watershed.

- Implementation details: ss. 281.58 and 281.59, Wis. Stats.
- DNR is working to further develop this program in partnership with its Wastewater Permits program.

Interest rates as low as 0%

- Eligible pilot projects may be awarded loans with an interest rate as low as 0%.
- **View current rates at** dnr.wi.gov/aid/documents/eif/guide/interest.html.

Benefits & program features

- Fixed interest rates on long-term loans.
- Online notice of Intent to Apply (ITA) system. Application submittals may be sent electronically as PDFs.
- Dedicated DNR project manager and construction management engineer.
- Coordination of funds with other funding agencies.

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

Eligible pilot projects must:

- be eligible for Clean Water Fund Program (CWFP) funding;
- achieve or maintain compliance with regulations under the Clean Water Act; 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 (e.g. phosphorus) outputs to the watershed.

A non-traditional project is **not** related to a wastewater treatment plant/facility upgrade.

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 Program funds; 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 cleanup at publicly-owned wastewater treatment plants may be funded as pilot projects.

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Who may apply?

Eligible applicants and funding recipients, also referred to as **municipalities** or **local governments**, include, but aren't limited to: Wisconsin cities, towns, villages, counties, and sanitary districts.

How do we apply?

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 (e.g. phosphorus) outputs to the watershed.

Municipalities with DNR-approved adaptive management or water quality trading plans will follow a financial assistance application process like the regular Clean Water Fund Program process. Application guidance and considerations are available under the How to Apply tab at dnr.wi.gov/aid/eif.html#tabx3.

- Submit notice of Intent to Apply (ITA) through the online system.
- Financial Assistance Application submittals may be sent electronically as PDFs.

When do we apply?

Submit Intent to Apply by 10/31/19 deadline if seeking funding in State Fiscal Year 2021 (7/1/20 – 6/30/21).

- **October 31st** - CFWP ITA deadline for the *following* state fiscal year funding cycle.
- Applications accepted **year-round** for CFWP pilot projects.

DNR resources

- Wisconsin Pollutant Discharge Elimination System (WPDES) - dnr.wi.gov/topic/wastewater/permits.html
- Adaptive Management (AM) - dnr.wi.gov/topic/surfacewater/adaptivemanagement.html
- Water Quality Trading (WQT) - dnr.wi.gov/topic/surfacewater/waterqualitytrading.html
- Wisconsin's Phosphorus Rule - dnr.wi.gov/topic/surfacewater/phosphorus.html

Contact information

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Water Quality Trading (WQT)

For information about phosphorus implementation or WQT, contact:

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