

E-Bulletin Newsletter



To provide affordable financial assistance to communities within Wisconsin for water infrastructure projects that protect and improve public health and water quality for current and future generations.



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Upcoming Deadlines

August 14

SFY 22 SDWLP PERF score reevaluation requests deadline (within 45 days of application deadline).

September 15

Last recommended date to submit rate application to PSC (following SFY 22 SDWLP application submittal).

September 30

SFY 22 CWFP Principal Forgiveness (PF) application deadline (reminder: submit P&S to Water Quality as well as with the application).

October 30

SFY 22 CWFP PF PERF score reevaluation requests deadline (within 30 days of application deadline).

October 31

SFY 23 ITA/PERF deadline.

Market Rate Unchanged

There is no change in the EIF market rate for loans with municipal meetings (*resolutions approving the municipal obligations and the financial assistance agreements*) on or after July 1, 2021 through September 30, 2021.

- EIF market rate for loans that have a final maturity of 20 years or less will be **2.700%**.
- EIF market rate for loans that have a final maturity greater than 20 years but less than or equal to 30 years will be **2.90%**.

View current rates at dnr.wi.gov/aid/documents/eif/guide/interest.html.

Online Systems Update

If you are using the [online application or ITA/PERF systems](#) between the hours of 5pm and 7am and you are inactive for 15 minutes, you will get an inactivity notice and have 5 minutes to respond or you will be automatically logged out of the system and will lose any unsaved changes. Between 7am and 5pm you will not be automatically logged out.

Pilot Projects Eligibility

The Clean Water Fund Program launched its [Pilot Projects Program \(PPP\)](#) for funding non-traditional projects last fall. Our focus has been on funding projects that reduce phosphorus pollution of waterways, including water quality trading projects.

Although previous publicity included adaptive management projects among the types of projects that may be eligible for pilot project funding, due to issues surrounding adaptive management plan review and approval and how those relate to CWFP funding policies, the DNR is suspending the eligibility of adaptive management projects at this time.

Water quality trading and other non-traditional projects for compliance with a municipality's Wisconsin Pollutant Discharge Elimination System (WPDES) permit will be considered on a case-by-case basis.

DNR, Environmental Loans Section—CF/2, 101 S. Webster Street, PO Box 7921, Madison, WI 53707-7921
dnr.wi.gov/aid/eif.html | CWFP phone: 608-358-3330 | SDWLP phone: 608-445-5964 | [staff directory webpage](#)



Program implementation details are outlined in chs. [NR 162](#) and [NR 166](#), Wis. Adm. Code. [Legal notice](#): This document is intended solely as guidance and does not contain any mandatory requirements except where requirements found in statute or administrative rule are referenced. Any regulatory decisions made by the Department of Natural Resources in any matter addressed by this guidance will be made by applying the governing statutes and administrative rules to the relevant facts. The Wisconsin Department of Natural Resources provides equal opportunity in its employment, programs, services, and functions under an Affirmative Action Plan. If you have any questions, please write to Equal Opportunity Office, Department of Interior, Washington, D.C. 20240. This publication is available in alternative format upon request, call 608-267-9481 for more information.

PSC Applications Due September 15th

September 15, 2021 is the DNR's last recommended date to submit rate case applications to the Public Service Commission of Wisconsin for State Fiscal Year 2022 Safe Drinking Water Loan Program projects.

One of the requirements for closing a SDWLP loan is that the municipal utility has water rates in place that are adequate to repay the loan and continue proper operation of its water system. In order to incorporate costs associated with a major construction project into rates, a utility potentially needs to file a Conventional Rate Case (CRC) with PSC.

Commission staff screen all rate case applications for completeness and do not begin work on incomplete applications. All required documentation must be submitted with the application for it to be considered complete.

While processing times will vary depending on the time of year a utility files a rate case application, the length of time since the utility's last CRC, the complexity of issues involved in the application, and other factors, the PSC's goal is to process an application within **200 days** after receipt of a complete application.

There are resources available on the PSC website to help utilities become familiar with the rate-setting process <https://psc.wi.gov/Pages/ForUtilities/Water/Conventional-Rate-Case.aspx> and learn more about water utility accounting <https://psc.wi.gov/Pages/ForUtilities/Water/Accounting.aspx>.

Required rate increases must be in effect before the project's Financial Assistance Agreement (FAA) can be executed, per s. NR 166.11(7) Wis. Adm. Code.

Learn more about coordinating the SDWLP requirements with the PSC rate case process at <https://dnr.wi.gov/Aid/documents/EIF/Guide/PSC.html>.

Questions about the rate increase process may be directed to the PSC at PSCWaterAppMail@wisconsin.gov or 608-266-3766.

A utility may also request a pre-application meeting with the PSC.

SFY 2022 CFWP PF Applications Due September 30th

State Fiscal Year 2022 Clean Water Fund Program financial assistance applications must be submitted [online](#) by September 30, 2021, if competing for principal forgiveness. For assistance with the application, refer to:

- [CWWP Application Process & Contents](#)
- [CWWP Online Application Help Text](#)

Applications are accepted the entire fiscal year for those projects not seeking principal forgiveness.

Plans and specifications reminder

Submit approvable, biddable plans and specifications to the DNR Bureau of Water Quality by the September 30th application deadline. Follow requirements as explained in the DNR's [Plan Submittal Requirements for Sewerage Systems](#). An additional, electronic copy of approvable, biddable plans and specifications must be uploaded with the application for all portions of the project for which funding is being requested.

Facility plans

An approved facility plan is a requirement of the application. If you have a project that you have not submitted a facility plan for, please contact [plan review staff](#) as soon as possible to determine if review is feasible by this year's application deadline.

Requirements for submitting a facilities plan are explained in [DNR's Wastewater Facility Planning Studies](#). Any project seeking CWWP funds must be submitted to the department for plan review and approval, regardless of a "reviewable" or "maintenance" project classification. For example, an abbreviated form of a facilities plan, or "Engineering Report", is required even for sanitary sewer replacement or rehabilitation projects, if seeking CWWP funding.

The Engineering Report covers certain federal requirements such as the cost effectiveness analysis and the environmental analysis. View the "Collection System Projects" section of the Wastewater Facility Planning Studies webpage for a list of what elements should be included in the report.

PERF score reevaluation requests

You may request a PERF score reevaluation within 30 days of the application deadline. Some of the reasons that an applicant may request a reevaluation include not all supporting documentation was uploaded with the original submittal, or the incorrect PERF form was originally submitted. Contact Lisa.Bushby@Wisconsin.gov, Clean Water Fund Coordinator, if you would like to pursue a PERF score reevaluation. The deadline to submit a PERF score reevaluation is October 30, 2021.

Draft CWFP Intended Use Plan for SFY 2022 Posted for Public Comment

The [draft CWFP Intended Use Plan](#) (IUP) for State Fiscal Year (SFY) 2022 was posted for a 21-day public comment period on July 21, 2021. Comments on the IUP will be taken through Wednesday, August 11, 2021. Direct them to Becky Scott at Rebecca.Scott@Wisconsin.gov.

The draft IUP identifies funds available for SFY 2022, loan terms, expected program activity, applicable policies, program goals, how federal requirements are being met, information on the Pilot Projects Program, and water quality scoring criteria for SFY 2023 projects.

It also describes the disadvantaged communities program and allocation of principal forgiveness (PF), including the three Priority PF programs which provide additional PF for regionalization projects, phosphorus reduc-

tion projects, and as matching funds for Focus on Energy awards for energy efficiency improvements. One significant change in this area is that applicants are no longer required to qualify as disadvantaged to receive regionalization or energy efficiency PF.

Additional items discussed in this IUP include further clarification on policies regarding PF and a change to no longer requiring Fiscal Sustainability Plans (FSP).

ARPA Treasury Interim Rule

The federal American Rescue Plan Act of 2021 (ARPA) allocated \$20 billion to so-called non-entitlement units of local government, generally municipalities with fewer than 50,000 residents. Most Wisconsin municipalities are non-entitlement units. The Wisconsin Department of Revenue distributes ARPA money to non-entitlement governments. Find more information at <https://www.revenue.wi.gov/Pages/SLF/ARPA.aspx>. Larger Wisconsin municipalities receive money directly from the US Treasury through the Coronavirus State and Local Fiscal Recovery Fund.

The US Treasury determines eligible uses of this money, including for sewer and water infrastructure projects.

Interested municipalities should consult <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds> for Treasury's interim final rule and frequently asked questions.

The frequently asked questions address sewer and water directly in section six, but other sections may also apply. Treasury has and may continue to clarify and change eligibility requirements. ARPA recipients should frequently revisit the interim final rule and frequently asked questions to stay up to date with new information. You may want to contact a municipal advisor for guidance on eligible projects.

Free Webinar: American Rescue Plan Act (ARPA) Funds for Water Bill Assistance and Infrastructure Projects

Thursday, August 12, 2021

1pm - 2:15pm Eastern

Registrants must [sign in or create an account](#) with Government Finance Officers Assoc. (GFOA) when registering

Legislative activity on Capitol Hill in the year 2020 was dominated by the development of multiple aid packages in response to the outbreak of COVID-19.

To address the vital need for widespread access to drinking water & wastewater utilities, Congress has authorized billions to assist households and utilities with water utility affordability and stormwater infrastructure projects.

Join experts from the GFOA and Environmental Finance Center Network (EFCN) for an introduction to ARPA, the Low-Income Housing Water Assistance Program (LIHWAP), and Emergency Rental Assistance Program (ERAP) to learn what to expect when dealing with these federal assistance programs.

Please contact training@gfoa.org if you need assistance with registration.

Certificates of attendance will not be provided for this webinar. This webinar is not preapproved by state agencies for continuing education credits.