

Water Pollution Control Loan Fund and Water Supply Revolving Loan Account

OTCO Compliance Webinar Workshop

October 27, 2020



Water Pollution Control Loan Fund

Water Supply Revolving Loan Account

This Presentation covers....

- What are the WPCLF and WSRLA?
- How does funding relate to compliance?
- What are some features of the WPCLF and WSRLA?
- What are some of the current focus areas?
- Examples of funding compliance–related projects
- How can I learn more?

State Revolving Funds

Water Pollution Control Loan Fund (WPCLF)

WPCLF provides funding to public wastewater systems for planning, design and construction of wastewater systems.



Water Supply Revolving Loan Account (WSRLA)

WSRLA provides funding to public water systems for planning, design, and construction of drinking water systems.



Water Pollution Control Loan Fund Water Supply Revolving Loan Account

Clean Water Act created the Clean Water State Revolving Fund (CWSRF) program, in Ohio called the WPCLF.

Safe Drinking Water Act created the Drinking Water State Revolving Fund (DWSRF) program, in Ohio called the WSRLA.

**Capital
available to
loan out again**

**Below-market
financing for
infrastructure**

**\$\$ Repayment
back to SRF**

**\$\$ Savings to
community**

Water Pollution Control Loan Fund

Water Supply Revolving Loan Account

How does loan funding relate to compliance?

- CWA and SDWA require SRFs to have priority lists
- Priority should be placed on compliance projects first
 - WPCLF – Stream water quality; public health
 - WSRLA – MCL violations and public health issues
- Funding is not limited to compliance only
- When adequate funding is available, projects not related to compliance can be funded.
- Adequate funding has been available in recent years.

Water Pollution Control Loan Fund

Water Supply Revolving Loan Account

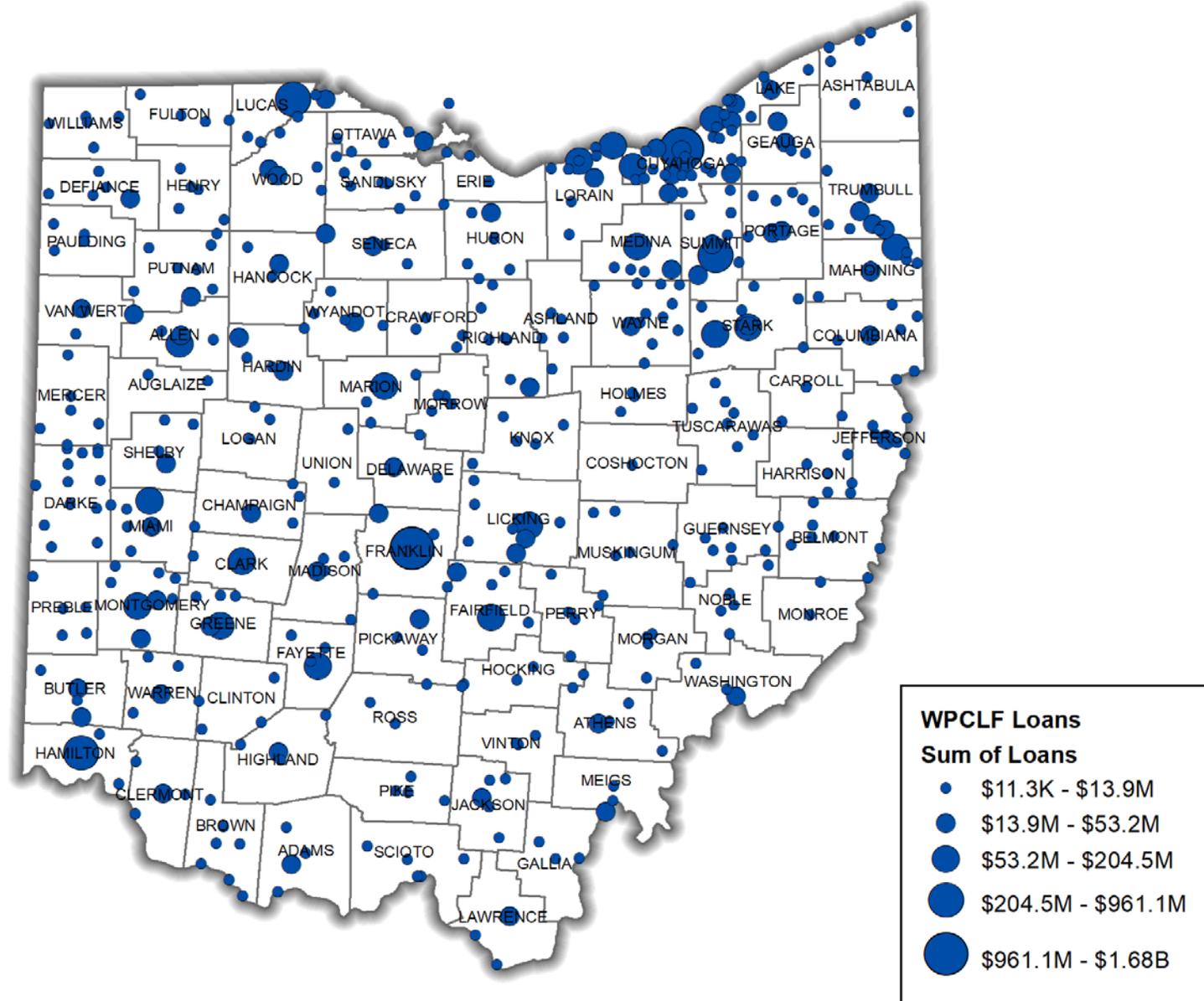
How does PF funding relate to compliance?

- Principal Forgiveness (PF) projects must meet “affordability” criteria for each program
- Like loan funding, principal forgiveness (PF) puts a premium on compliance-related projects.
- PF funding is not limited to only compliance-related projects.
- PF often used as an incentive for certain types of projects.

Water Pollution Control Loan Fund Water Supply Revolving Loan Account

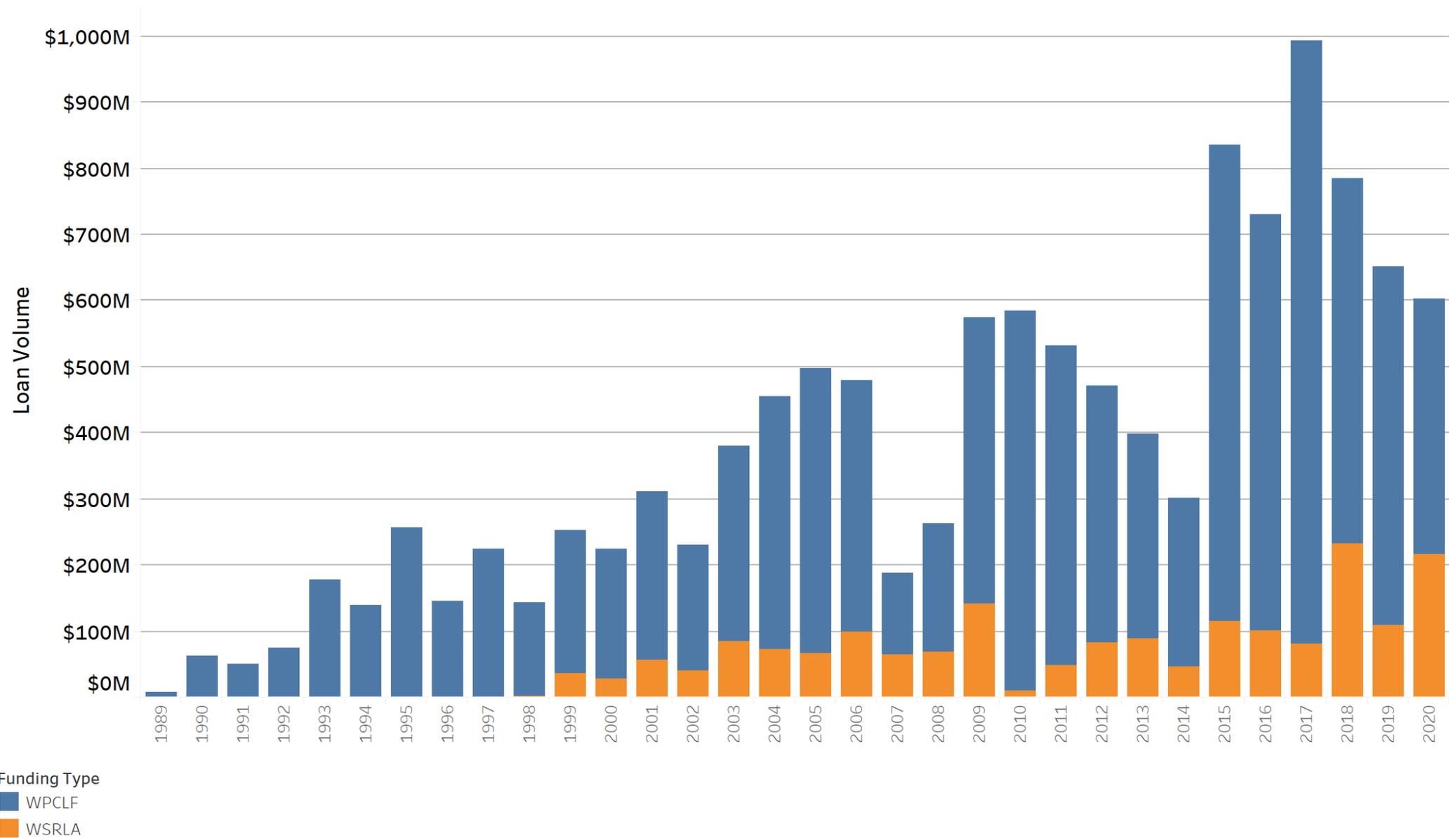
	WPCLF	WSRLA
This is what the WPCLF and WSRLA have accomplished over 30+ years		
First Loan	Sept. 1989	Feb. 1999
Total Loans	Over 2,800 Projects	Over 860 Projects
Total Investment In Ohio	Over \$ 10.3 Billion	Over \$ 1.8 Billion
Total estimated Savings for Communities	\$1.5 Billion	\$260 Million
Sustainable Annual Capacity	Over \$600 million/year	\$175 million/year

WPCLF Funding in Ohio

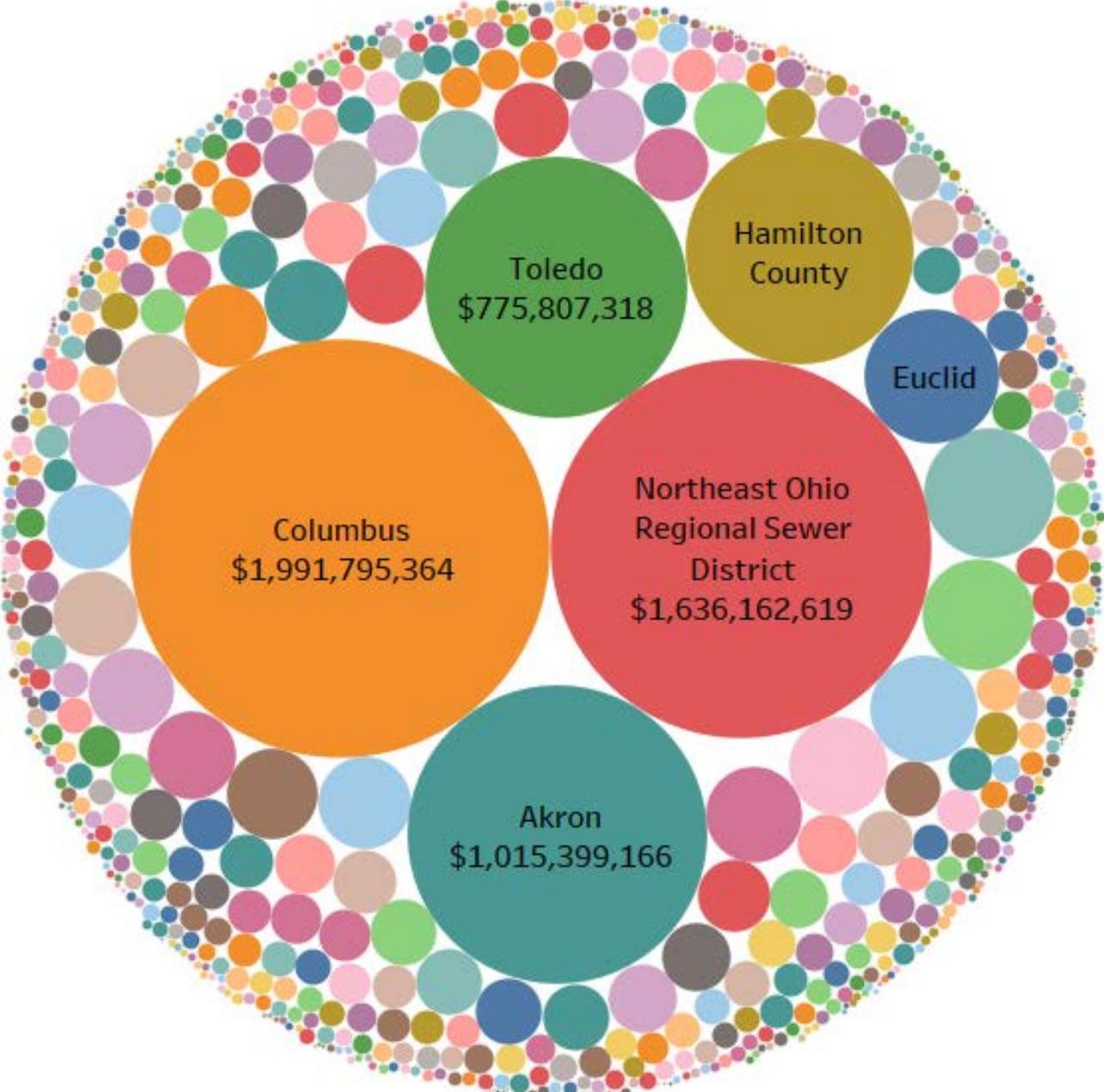


WPCLF and WSRLA Funding

Annual Loan Volume for WSRLA and WPCLF



Cumulative Ohio SRF Loans



The WPCLF and WSRLA Programs

What's Eligible?

WPCLF

- Public borrowers for wastewater projects
- Planning, Design, Construction
- New Wastewater Treatment Plants
- New Sanitary Sewers/Pump Stations
- Rehabilitation/Replacement of plants, pipes, pump stations
- Regionalization/Consolidation Projects
- Combined Sewer Overflow projects
- Stormwater Management projects
- Nonpoint Source Pollution Control
- Eligibilities have expanded over the years

WSRLA

- Community Public Water Systems
- Planning, Design, Construction
- New Water Treatment Plants
- New Water Mains
- Water storage tanks, towers, pump stations
- Rehabilitation/Replacement of plants, pipes, tanks, pump stations
- Regionalization/Consolidation/Interconnection Projects
- Lead Service Lines
- Water Meters
- Focus on existing problems in Public Water Systems

The WPCLF and WSRLA Programs

Examples from Ohio (past 12 months)

WPCLF

- 184 projects funded
- \$552 million provided
- Average loan = \$3 million
- Largest loan = \$86 million (const.)
- Smallest loan = \$36,000 (planning)
- Average Interest rate = 0.75%
- Principal Forgiveness = \$31.7 M

WSRLA

- 69 projects funded
- \$226 million provided
- Average loan = \$3.2 million
- Largest loan = \$74 million (const.)
- Smallest loan = \$11,000 (design)
- Average Interest rate = 0.64%
- Principal Forgiveness = \$14.4 M

The WPCLF and WSRLA Programs

What are the interest rates?

Category	Terms	Current Rates (October 2020)*
Standard	Market rates minus 1.25%	0.52%
Small Community	Market rates minus 1.75%	0.02%
Hardship	1%	0.02%
Hardship/Disadvantaged	0%	0%
Principal Forgiveness	Varies by Program	

* = 20-year rates; rates for terms >20 years vary

The WPCLF and WSRLA Programs

What are the focus areas for 2021?

WPCLF *(proposed)*

- Principal Forgiveness (\$35.8M)
 - Regionalization = \$15M
 - Municipal WW Projects = \$13.2M
 - HSTS Replacements = \$10.6M
- Backup Power - \$500,000 total PF
- Regionalization Discount(\$50M @ 0%)
- Nutrient Reduct. Discount (\$50M @ 0%)
- WRRSP Sponsorship (\$15M)
- 0% Planning or Design Loans

WSRLA

- Principal Forgiveness (\$15.1 M)
 - Disadvantaged = \$11.3M
 - Regionalization = \$3.8M
- HAB or PFAS Discount (\$50M @ 0%)
- Regionalization Discount (\$10M @ 0%)
- LSL Discount (\$5M @ 0%)
- 0% Planning or Design Loans
- \$20M PF for Lead Service Line replacement

WSRLA Lead Service Line Principal Forgiveness

- Total of **\$20 million** available as principal forgiveness in PY 2021 and PY 2022
- Up to \$1 million/applicant per year
- Replace public/private lead service lines
- If private exists, it must also be replaced
- You should have: asset management, inventory, legal authority to access private property, public outreach
- Nominations still being accepted

The WPCLF and WSRLA Programs

How do I Nominate a Project?

	WPCLF	WSRLA
Program Year	Calendar Year Jan. 1 st – Dec. 31 st	State Fiscal Year July 1 st – June 31 st
Call for Nominations	July	February
Submission Deadline	~August 31 st	~March 1 st
Open Nominations for...	Planning, Design, NRD	Planning, Design, HAB, Lead

Submit to: DefaMail@epa.ohio.gov

- » One submission per project
- » One automatic response per applicant



The WPCLF and WSRLA Programs

How Much Funding is Dedicated to Compliance?



Examples of WPCLF Projects

- Village of Butler and Bellville Regionalization Project
- City of Columbus “Blueprint” Projects
- NEORSD Long-Term Control Plan projects (deep tunnels)
- Washington Court House – Wastewater Treatment Plant Improvements
- City of Tiffin – WWTP LTCP Improvements
- Hocking County – Union Furnace Sanitary Sewer Improvements
- West Union – Crackel Subdivision Sanitary Sewers



Examples of WSRLA Projects

- Trumbull County - Braceville/West Farmington Regionalization
- Jefferson Co. - Smithfield Tank Replacement
- Waverly - Wellfield Improvements
- Logan - Waterline Replacements
- St Clairsville - Updates for source water and treatment
- Steubenville - Waterline and valve Replacements
- Put-in-Bay - Treatment to address HABs



The WPCLF and WSRLA Programs

Takeaway Points

- WPCLF and WSRLA loan funds are available
- Limited Principal Forgiveness funds are available
- Funding supports compliance, Agency priorities, other projects
- Nominate your projects during the annual cycle
- Feel free to talk with us anytime



Contact Information

Ohio EPA Division of Environmental & Financial Assistance

epa.ohio.gov/defa/ofa

Katie Courtright, Manager, Loans and Grants Section

Kathleen.Courtright@epa.ohio.gov

Jon Bernstein, Assistant Chief, DEFA

Jonathan.Bernstein@epa.ohio.gov

Jerry Rouch, Chief, DEFA

Jerome.Rouch@epa.ohio.gov

(614) 644-2798

