



Ask Me Anything: Green Project Reserve

March 5, 2025



About Us

The **Environmental Finance Center Network (EFCN)** is a university- and non-profit-based organization creating innovative solutions to the difficult how-to-pay issues of environmental protection and water infrastructure.

The EFCN works collectively and as individual centers to address these issues across the entire U.S, including the 5 territories and the Navajo Nation. The EFCN aims to assist public and private sectors through training, direct professional assistance, production of durable resources, and innovative policy ideas.



What has been covered?

What are the SRFs?

December 4, 2024

What is Predevelopment Funding?

December 16, 2024

I'm Confused, where do I start?

January 8, 2025

What is an IUP?

January 13, 2025

DWSRF Eligibilities

February 5, 2025

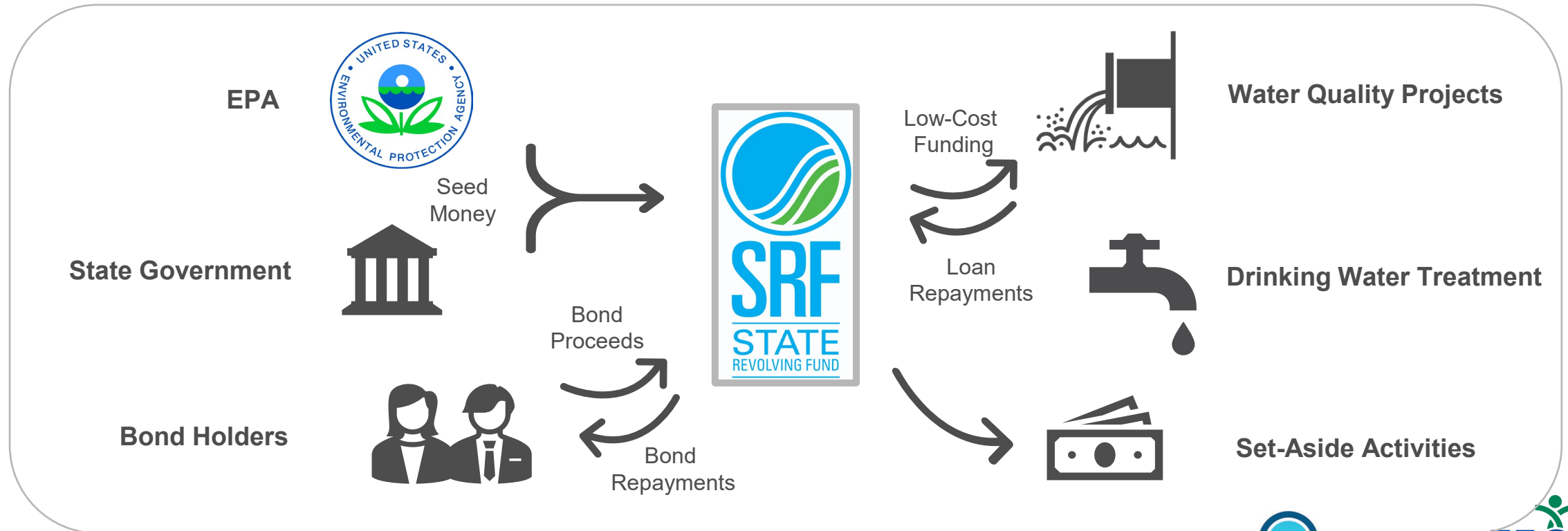
CWSRF Eligibilities

February 10, 2025

For more information and to find past training PPTs and summaries:
<https://efcnetwork.org/event/virtual-office-hours-ask-me-anything-srf-technical-assistance-open-discussion/>

What are the SRFs?

- Low interest revolving loan program with subsidies for targeted projects and communities
- Money comes from EPA/Federal Government, state match, loan repayments, interest, bond proceeds



What is the correct answer to
any SRF question?

Every state is different.
It depends.

Where it all Began

Federal Water Pollution Control Act 1948

- Basis of modern Clean Water Act
- Provided protections for surface water with focus on navigation
- <https://sgp.fas.org/crs/misc/96-647.pdf>

1948

1972

1972 Amendments– Clean Water Act (CWA)

- Regulated discharges of pollutants to water
- Regulated surface water quality standards

1981 Amendments

- Streamlined construction grants

1981

1987

1987 Amendments

- Established the Clean Water State Revolving Fund (CWSRF)
- Replaced construction grants program
- Expanded funding eligibilities

Where it all Began

2000 Amendments

- Grant programs to support monitoring and advisory programs at marine coastal and Great Lakes beaches
- Research and development of recreational criteria

2000

2009

2014

2009 American Recovery and Reinvestment Act (ARRA)

- 'the first stimulus'
- Established the GPR

2014 Water Resources Reform and Development Act (WRRDA)

- Treatment works definition
- Cost and Effectiveness, A/E procurement, Fiscal Sustainability Plan
- Expanded eligibilities for projects and borrowers
- Extended loan terms, additional subsidy, affordability criteria
- <https://csreports.congress.gov/product/pdf/IF/IF11322>

Where it all Began

2018 amendment- American Water Infrastructure Act (AWIA)

- Reauthorize appropriations
- Update eligibilities
- Expand subsidy, loan terms, repayment start
- AIS and Davis Bacon permanent

2018

2021

2025?

2021 amendment– Infrastructure Investment and Jobs Act (IIJA) & Bipartisan Infrastructure Law (BIL)

- New grant programs
- Focus on environmental justice and equity
- Sweeping changes to the program’s implementation
- Technical Assistance set-aside
- BABA
- <https://crsreports.congress.gov/product/pdf/R/R46892>

Eligibility- Section 212 Borrower & Project

Clean Water Act Section 603(c)(1) Eligibility Section 212: Also referred to as “treatment works” or “grey infrastructure” projects. These projects are limited to municipal borrowers only.

- Any new construction, repair, or replacement of publicly owned treatment works (POTW)
- CSO management, sediment controls, point-source stormwater management
- Water conservation, efficiency, or reuse
- Energy conservation needs for POTWs

Public Ownership

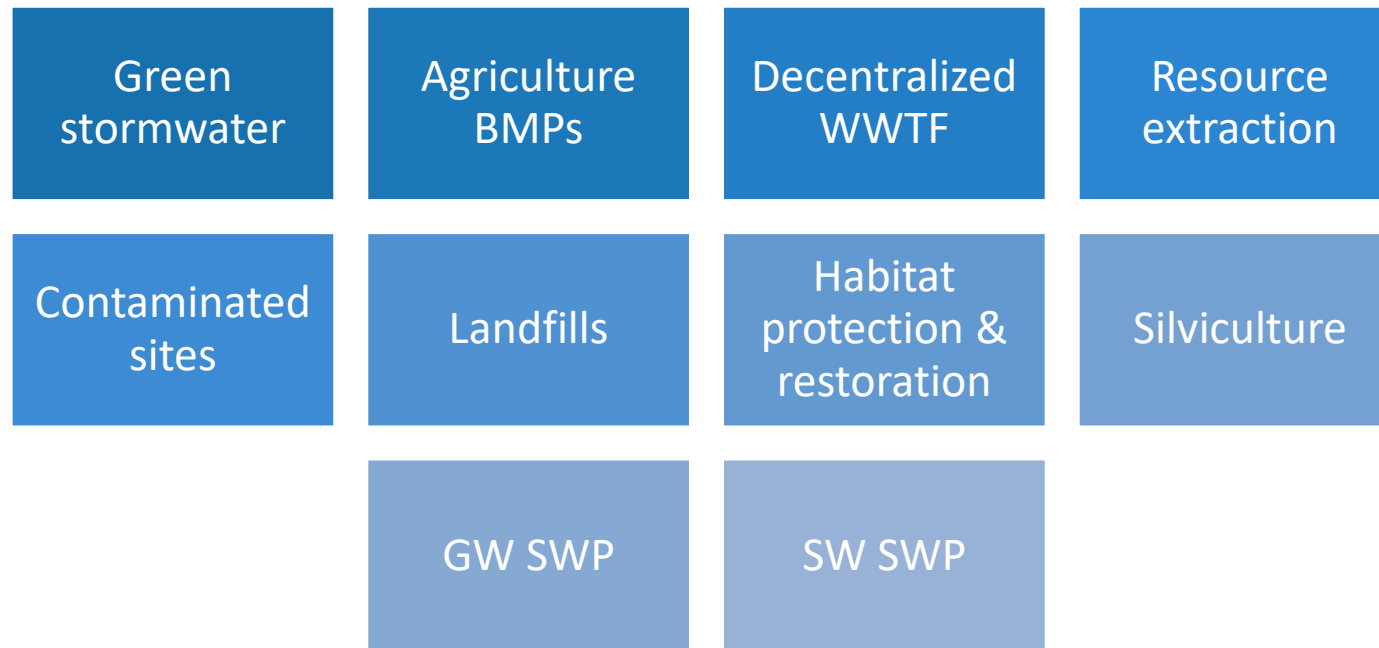
- Publicly Owned Treatment Works (Section 212)
- Land purchase or lease (including easements) for treatment works construction, land used in the treatment process
- Water and Energy Conservation projects for POTW’s prorated share of alternative energy project providing power to a POTW
- Water conservation projects reducing demand for POTW capacity

Public Ownership

- Stormwater projects (permitted & unpermitted)
- Decentralized wastewater treatment systems
- Watershed projects (section 122)
- Recycled water and water reuse projects
- Security initiatives at POTW’s
- Water and energy conservation / efficiency

Eligibility- Section 319 Borrower & Project

Clean Water Act 603(c)(2) Eligibility Section 319: These projects are also known as “nonpoint source” projects or “green/natural infrastructure”. Further, CWSRF eligible projects can fall under the following categories. Borrowers can be any borrower, including non-profit organizations or for-profit entities. However, most states still restrict borrowing to municipalities.



CWSRF Additional Subsidy

Every year states can use additional subsidy via grants or loan forgiveness.
“Add sub” may be awarded based on

1

Affordability

2

Stormwater

3

Energy or water
efficiency projects

4

“Sustainable” project planning,
design, and construction - states
define “sustainable”

Amounts of additional subsidy range between 10-40% of federal grant amount

CWSRF Additional Subsidy

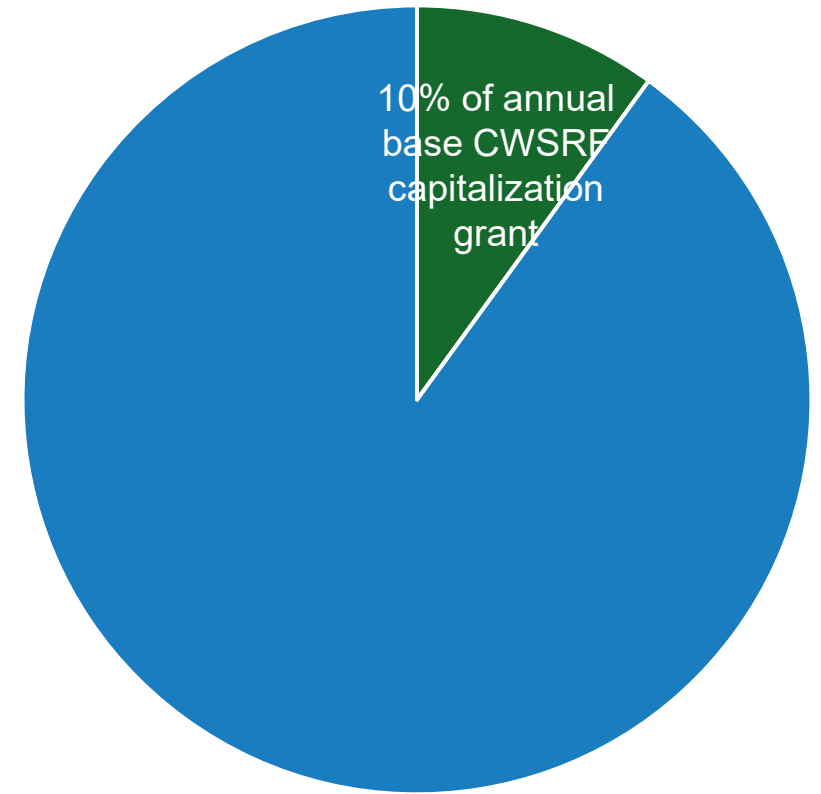
| SRF Funding Program | Additional Subsidy Percentage | Eligibility for Additional Subsidy |
|---|--|--|
| CWSRF BIL General Supplemental | 49% | <ul style="list-style-type: none"> • Assistance recipients that meet the state's affordability criteria • Benefit to individual ratepayers in residential user class • Water/energy efficiency, stormwater mitigation or sustainable projects |
| CWSRF BIL Emerging Contaminants | 100% | <ul style="list-style-type: none"> • Any eligible project |
| CWSRF 2022 Appropriation/Continuing Resolution | 10% | <ul style="list-style-type: none"> • Any eligible borrower |
| CWSRF Base Program (CWA) | 10%-30% (if the appropriation is over \$1B) | <ul style="list-style-type: none"> • Assistance recipients that meet the state's affordability criteria • Benefit to individual ratepayers in residential user class • Water/energy efficiency, stormwater mitigation or sustainable projects |

Green Project Reserve

1. **Green Infrastructure**
2. **Water Conservation**
3. **Energy Efficiency**
4. **Environmentally Innovative**



There is no requirement that GPR projects be subsidized



GPR: Green Infrastructure

- Green streets: permeable pavement, trees, bioretention
- Green roofs
- Land acquisition
- Stormwater reuse
- Downspout disconnection
- Nature-based solutions including daylighting streams, vegetated buffers, stream restoration

Green Infrastructure= ~14% of GPR in 2023



GPR: Water Conservation

- Water Recycling and Water Use
- Retrofit of Agricultural Irrigation
- Leak detection equipment
- Meters, appliances, etc. previously mentioned

Water Efficiency= ~25% of GPR in 2023

GPR: Energy Efficiency

- Renewable energy for WWTF (solar panels, etc.)
- Infiltration/Inflow (I/I) Detection Equipment
- Any investment that achieves 20% energy savings for WWTF

Energy Efficiency= ~54% of GPR in 2023

GPR: Environmentally Innovative



- LEED certified buildings
- Decentralized wastewater solutions for failing onsite systems
- Integrated water resources planning
- Climate risk mitigation planning

Environmentally Innovative= ~6.5% of GPR in 2023

GPR Resources

Webpage: <https://www.epa.gov/cwsrf/green-project-reserve-guidance-clean-water-state-revolving-fund-cwsrf>

Reference Table: https://www.epa.gov/sites/default/files/2015-04/documents/green_project_reserve-crosswalk-table.pdf

Guidance: <https://www.epa.gov/system/files/documents/2024-08/epa-cwsfr-guidance-for-determining-project-eligibility.pdf>

Federal Crosscutters: SRF Matrix

| Matrix of SRF Requirements | | | | | | | Additional Notes |
|--|--------------------|---------------------|------------------|----------------------|--------------------|---------------------|---|
| | All CWSRF Projects | Only CW Equivalency | Only Governments | Only Treatment Works | All DWSRF Projects | Only DW Equivalency | |
| A/E Contract Procurement (RFQ, QBS) | | X | | | | | Applies after 10/1/2014; WRRDA Guidance p 7 |
| American Iron & Steel (AIS) | | | | X | X | | https://www.epa.gov/cwsrf/american-iron-and-steel-requirement-guidance-and-questions-and-answers |
| Buy America Build America (BABA) | | X | | | | X | https://www.epa.gov/cwsrf/build-america-buy-america-baba-resources |
| Crosscutters: Environmental | | X | | | | X | Crosscutter handbook |
| Crosscutters: Socioeconomic | | X | | | | X | Crosscutter handbook |
| Crosscutters: Super (Civil Rights) | X | | | | X | | Crosscutter handbook |
| Cost and Effectiveness (C&E) | | | X | | | | Applies after 10/1/2015; WRRDA Guidance p 6 |
| David Bacon Wage Requirements | | | | X | X | | WRRDA Guidance p 3; DB Guidance ; David Bacon Handbook |
| Disadvantaged Business Enterprises (DBE, WBE) | | X | | | | X | 40 CFR Part 33 |
| FFATA | | X | | | | X | SRF Policy 9/22/2014 |
| Fiscal Sustainability Plans (FSP) | | | | X | | | Applies after 10/1/2014; excludes new WWTPs; WRRDA Guidance p 12 |
| Generally Accepted Government Accounting | | | X | | X | | WRRDA Guidance p 4 |
| NEPA-like SERP | | | | X | X | | CW: 40 CFR 35.3140 DW: 40 CFR 35.3580, Also see DWSRF Program Operation Manual |
| Expected Useful Life > Loan Term | X | | | | X | | CW: WRRDA Guidance p 12; required even if loan term <20 yrs; only applies to loans. DW: AWIA Implementation 3/25/2019 memo |
| Signage | | X | | | | X | SRF Policy 6/3/2015 |
| Single Audit | | X | | | | X | State does not need to collect or review |
| Telecomm Equipment & Services | | X | | | | X | 2 CFR 200.216 |
| Technical, Financial & Managerial Capacity (TFM) | | | | | X | | AWIA Implementation 12/2/2019 memo |

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any SRF question?

Every state is different.
It depends.

Upcoming Trainings

What is the Green Project Reserve (GPR)?

March 5, 2025 / 11:00-1:00 pm EST

What is Readiness to Proceed?

March 17, 2025 / 2:00-4:00 pm EST

What are the important SRF documents?

April 2, 2025 / 11:00-1:00 pm EST

Is 'Free Money' actually free?

April 21, 2025 / 2:00-4:00 pm EST

For more information and to register visit:

<https://efcnetwork.org/event/virtual-office-hours-ask-me-anything-srf-technical-assistance-open-discussion/>

Community Finance Team

<https://www.quantifiedventures.com/community-finance>



Ashley Lucht

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- Former Director of Capital Planning at the Vermont Municipal Bond Bank
- Former DWSRF Project Manager for the State of Vermont



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