


Renewable Energy: Funding Options



Federal Funding for Renewable Energy Projects

- IRS (www.irs.gov)
 - Small Agri-Biodiesel Producers
 - \$0.10/gal up to 15 MG from producers that make <60 MG/yr
 - Biodiesel and Ethanol Tax Credit
 - \$0.51/gal for ethanol
 - \$1.00/gal for agri-bioiesel
 - \$0.50/gal for biodiesel from waste grease
- US Dept. of Energy (www.doe.gov)
 - State Energy Program funding
 - renewable energy plus energy efficiency technology

Federal Funding for Renewable Energy Projects

- US Dept of Agriculture (www.rurdev.usda.gov)
 - Renewable Energy Systems and Energy Efficiency Grants
 - Grants and loans for the purchase of renewable energy systems and energy improvement for agricultural producers and small rural businesses
- US Dept. of Transportation (www.dot.gov)
 - Clean Fuels Grant Program
 - Funds for transit authorities to use low emission buses and other equipment

Federal Funding for Renewable Energy Projects

- US EPA (www.epa.gov)
 - Clean School Buses USA
 - Funds to replace buses with ones that operate on alternative fuels
 - Clean Ports USA
 - Assistance to ports that use cleaner diesel technologies
 - Pollution Prevention Grants
 - Funds that help states and tribes that identify ways to reduce or eliminate waste at the source

Federal Funding for Renewable Energy Projects

- US EPA (www.epa.gov)
 - Methane-to-Markets Grants
 - Funds for projects and activities that advance recovery and users
 - For landfills contact Brian Guzzone – 202/343-9248
 - Guzzone.Brian@epa.gov
 - For animal waste management systems contact
 - Kurt Roos – 202/343-9041
 - Roos.Kurt@epa.gov

Overview of the CWSRF Program

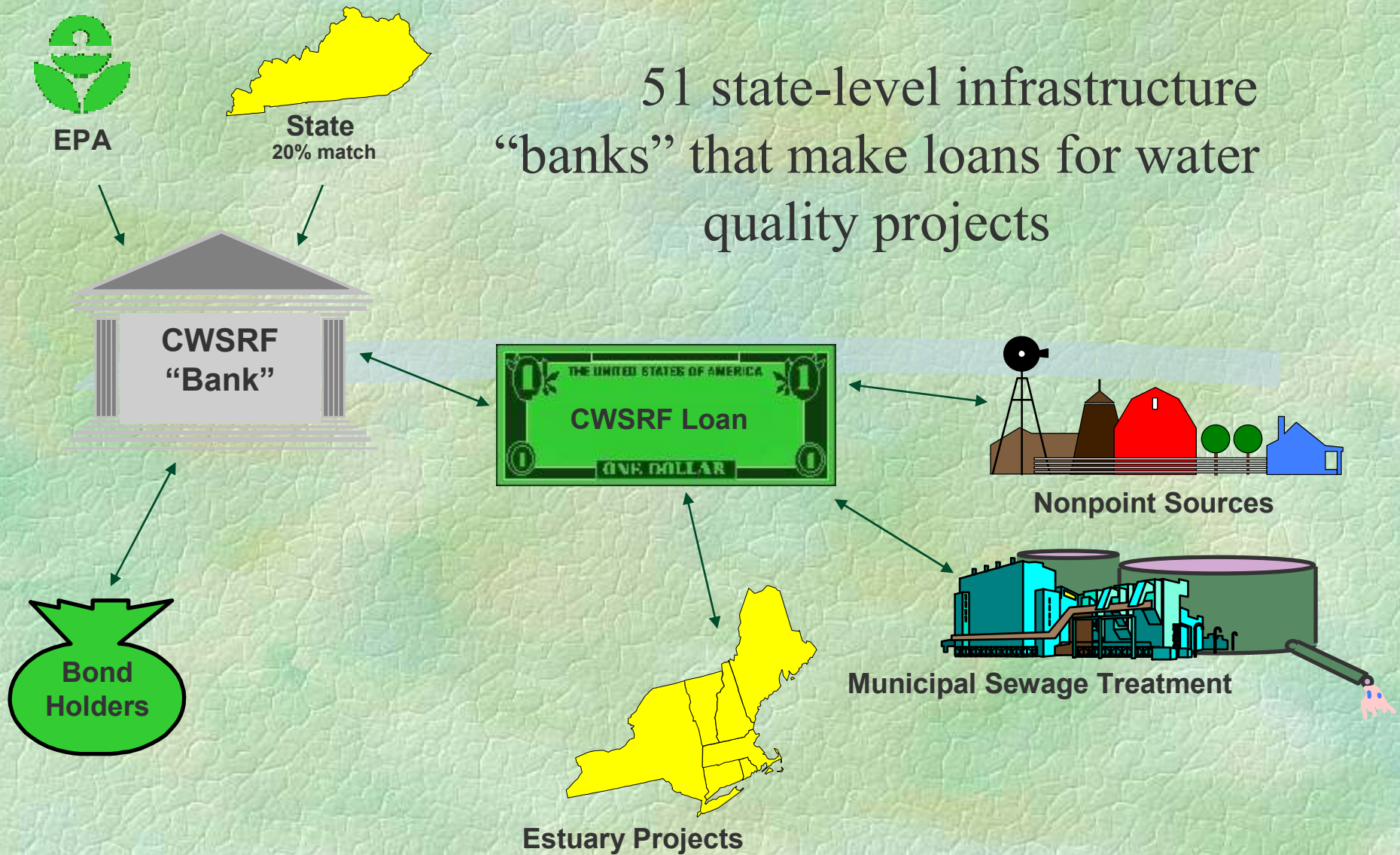


What Is the CWSRF Program?

- Clean Water Act Amendments of 1987 authorized CWSRF program
- Low-interest loan program that has provided more than \$70 billion for water quality projects.
- Managed by 51 separate state programs (50 states & Puerto Rico)
- Loans provided to governments, businesses, and individuals
- Loans provided for publicly-owned wastewater treatment, nonpoint source pollution control, and estuary protection

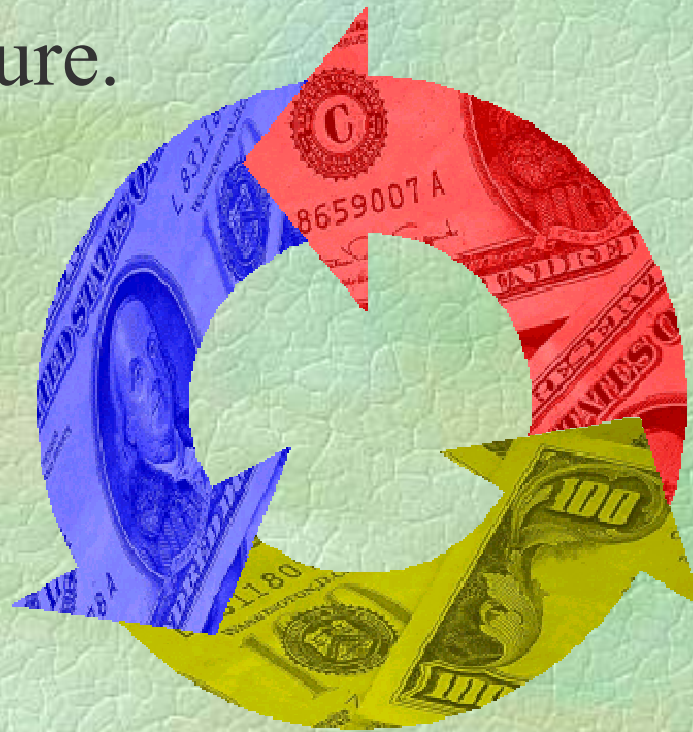
CWSRFs: Infrastructure Banks

51 state-level infrastructure “banks” that make loans for water quality projects



A Revolving Fund

- The revolving nature of the CWSRF means that funds will be available for the foreseeable future.



What Projects are Eligible for CWSRF Assistance?

- **Planning/design**
- **Construction**
 - **New or replacement of existing facilities**
 - **Collection projects including CSOs/SSOs**
 - **Treatment including advanced treatment**
- **Implementation of nonpoint source projects (section 319)**
 - **Private or public borrowing for projects**
- **Development and implementation of management plans in 28 National Estuary Programs (section 320)**

Advantages of CWSRF Loans

- Loans cover 100% of eligible costs – no local, up-front match
- Repayment term up to 20 years
- Repayment begins up to 1 year after project start-up
- Streamlined federal requirements

Advantages of CWSRF Loans

- Interest rates may range from 0% to market rate
- Low interest rates mean real cost savings

Project Cost: \$10,000

<u>Interest Rates</u>	<u>Annual Payments (20 yrs)</u>	<u>Total Cost</u>
0%	\$500	\$10,000
3%	\$672	\$13,443
6%	\$872	\$17,437
9%	\$1095	\$21,909

Compared to a 9% Loan, 0% Saves \$11,909;

Compared to a 9% Loan, 3% Saves \$7,437

Program Eligibilities - § 212

Principles:

- All projects must be consistent with the definition of “treatment works” as set forth in section 212.
- All section 212 projects must be publicly owned, as required by CWA section 603(c)(1).
- All section 212 projects must serve a public purpose.

Energy Conservation and Efficiency

■ Power Consumption

- Certain capital costs to power POTWs
- Planning activities, such as energy audits, that have a reasonable prospect of resulting in a capital project
- Pro-rata share of capital costs of offsite publicly owned clean energy facilities that provide power to a POTW

■ Power Production

- Capital costs of energy generated onsite by a POTW (includes solar, wind, and methane capture)

Energy Conservation and Efficiency

- Atlantic County, New Jersey
 - \$2.25 million CWSRF loan to install solar panels at its wastewater treatment facility
 - 660 kilowatt hours of electricity generated each year
 - Equal to electricity for 62 homes or 388 barrels of crude oil per year
 - Energy cost savings projected at \$115,000 per year



Program Eligibilities - § 319

Principles:

- Eligible nonpoint source projects support a component of an approved section 319 plan or the nine element watershed plans required by the 319 program.
- Projects can be either publicly or privately owned and can serve either public or private purposes.
- Eligible nonpoint source projects are not specifically required by a draft or final NPDES permit.

Program Eligibilities - § 319

Principles (Continued):

- Eligible costs are limited to capital costs.
- Projects must have a direct water quality benefit.
- Only the portions of a project that remediate, mitigate the impacts of, or prevent water pollution should be funded.
- Point source solutions to nonpoint source problems are eligible as CWSRF nonpoint source projects.

And More...

- Water Conservation and Reuse
 - Privately owned water efficiency and water reuse projects
- Mining
 - Privately owned, regulated mining projects that are required by NPDES permits
- Animal Feeding Operations
 - Privately owned, regulated manure management projects on CAFOs that are required by NPDES permits

And More...

- Landfills
 - Privately owned landfills with leachate collections systems and/or NPDES permits that predominantly receive municipal waste and serve a public purpose
- Trading
 - The CWSRF can support water quality trading in National Estuaries
- Atmospheric deposition
 - The water quality portion of capital to mitigate air deposition of pollutants
- Privately–Owned Municipal Wastewater Treatment and Other Purposes
 - Privately owned, public purpose projects that serve community wastewater treatment needs, reduce wastewater flows to treatment works, and preserve or restore natural hydrology
 - Energy conservation and efficiency measures described in section 212 that help minimize the carbon footprint of wastewater treatment

How to access the CWSRF

- Develop good projects
- Get on the State's CWSRF Intended Use Plan

For More Information

- Regional and State Contacts
- www.epa.gov/owm/cwfinance/cwsrf/contacts
- parsons.sheryl@epa.gov