

## Applying for Nutrient Reduction Discount for Water Pollution Control Loan Fund Projects

During the 2020 program year, the Water Pollution Control Loan Fund (WPCLF) will offer an additional \$50 million available at a 0% interest rate for projects that include equipment and facilities at publicly owned wastewater treatment plants to reduce the levels of phosphorus and other nutrient pollutants. The discounted rate will be available for the portion of the project directly attributable to the nutrient reduction. Below-market interest rate loan funds will be offered for the balance of a proposed project. The funds can be used for planning, design, and construction of qualifying projects.

- Project nominations for the nutrient reduction discount (NRD) may be submitted throughout calendar year 2020. Our updated nomination form includes an option in Section 5.0 to be considered for the NRD. The updated nomination form is located at DEFA-OFA's [website](#). Please note: only electronic submissions will be accepted at [defamail@epa.ohio.gov](mailto:defamail@epa.ohio.gov).
- The 0% interest NRD will be applied to 100% of a planning loan if the project description supports the conclusion that the project will result in nutrient reduction.
- The 0% interest NRD will be applied to 100% of a design loan if facilities planning information supports the conclusion that the project will reduce nutrient discharge.
- The 0% interest NRD will be applied to a construction loan amount at the same percentage as the nutrient removal efficiency of the portions of the project attributable to nutrient reduction.
- If nutrient reduction data was not submitted for the Permit to Install (PTI) or if the project will not require a PTI, a construction loan applicant will:
  - Identify the treatment processes to which the NRD should apply
  - Estimate the design nutrient removal efficiency through the nutrient reduction processes based on (1) sampling and analysis if data is available, (2) results of any bench or pilot tests that were performed for the design, (3) mass balance if it was done as part of the design, or (4) engineering judgment and available literature. None of (1)-(3) will be required if the loan applicant has not chosen to perform them.
- Prepare bid forms that make it possible to identify the costs of the nutrient reduction processes. Please provide a copy of the draft bid forms and other contract front end documents to Ohio EPA for review prior to advertising for bids. If the construction loan applicant plans to request lump sum bids for its project, provide an engineer's cost estimate for the nutrient reduction processes.
- After bid opening and selection of the successful bidder, provide Ohio EPA the bid amount attributed to nutrient reduction. This information will be submitted with the other bid documents that are required for a WPCLF construction loan.

- New WWTPs, Major Upgrades & Expansions: From the successful bidder's proposal or the engineer's cost estimate (for lump sum bid), identify the total bid cost minus any processes not involved in nutrient reduction. The NRD will apply to the bid cost of the WWTP (except processes that do not reduce nutrients) at the same percentage as the nutrient removal efficiency. If the WWTP will remove 80% of the nutrient, the NRD will apply to 80% of the cost (except for processes that do not reduce nutrients).
- Improvements to Individual WWTP Processes: The NRD will apply to the cost of the treatment process at the same percentage as the nutrient removal efficiency. For example, if 15% of the phosphorus will be removed in the primary clarifiers, the NRD will apply to 15% of the cost of primary clarifier improvements.
- Individual Equipment Items for Nutrient Removal: The NRD will apply at 100% for equipment items that have the purpose of nutrient reduction, such as chemical storage and a metering pump for phosphorus removal.
- Other projects: Projects that are not included in the above categories will be reviewed on a case by case basis. Communities with projects that will reduce nutrient discharges and who are interested in the NRD discount for Program Year 2020 should submit a nomination form to Ohio EPA.