



To: Chief Elected Official
Water Pollution Control Authority Chairman
Water Pollution Control Superintendent

From: Denise Ruzicka
Director, Planning and Standards Division
Department of Energy and Environmental Protection

Date: July 1, 2013

Re: First 3 Phosphorus Funding Program

Public Act No. 13-239 provides a funding opportunity for wastewater treatment plant financing through the Clean Water Fund. Section 64, subsection (c) (see attachment) of the Public Act increases grant funding for financing phosphorus removal projects from 30% to 50% of the cost of the project associated with phosphorus removal under certain conditions. The increased grant funding is limited to the first three construction contracts entered into by municipalities before July 1, 2018. We encourage municipalities to carefully evaluate project timelines and take advantage of this enhanced grant funding opportunity.

Eligible projects are limited to those with a permitted phosphorus discharge limit at or below 0.2 milligrams per liter. There are 11 municipalities with wastewater plants eligible for consideration for this higher level of funding as defined in the state phosphorus reduction strategy for non-tidal surface waters (see the DEEP web site at http://www.ct.gov/deep/cwp/view.asp?a=2719&q=474130&deepNav_GID=1654). Your municipality is one of the eleven communities potentially eligible.

If more than three projects are eligible for financing, priority will be given first to projects with the lowest permitted discharge limit for phosphorus as contained in a valid permit, and then to those that remove the greatest amount of phosphorus as measured in pounds per year.

In addition to this exciting funding initiative, the Department continues to work collaboratively with affected communities in accordance with Public Act No. 12-155. The act requires DEEP to evaluate and make recommendations regarding a state-wide strategy to reduce phosphorus loading in inland nontidal, waters including (1) a state-wide response to address phosphorus nonpoint source pollution, (2) approaches for municipalities to use in order to comply with phosphorus standards established by the U.S. Environmental Protection Agency, including guidance for treatment and potential plant upgrades, and (3) the proper scientific methods by which to measure current phosphorous levels and to make future projections of

phosphorous levels. This public process commenced with public informational meetings held in the fall of 2012. Workgroups are currently forming.

In order to determine interest and provide assistance to municipalities, we ask that potentially interested municipalities submit a non-binding letter of interest to the Department on or before August 1, 2013. The letter must include a proposed project schedule with appropriate steps outlined for achieving a July 1, 2018 construction contract award. Please send the letter of interest and supporting materials to the attention of Steve Muollo.

If more than three communities express interest, the Department will develop a priority ranking based upon the Public Act No 13-239 criteria. If you have any questions please feel free to call Steve Muollo at 860-424-3753.

Section 64 of Public Act No. 13-239:

“Subsection (c) of section 22a-478 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2013)...

...(6) The first three construction contracts entered into by municipalities on or before July 1, 2018, that are eligible for financing as projects undertaken for phosphorus removal to at or below two tenths milligrams per liter effluent discharge, shall receive (A) a project grant of fifty per cent of the cost of the project associated with such phosphorus removal, (B) except as provided in subdivision (3) of this subsection, a twenty per cent grant for the balance of the cost of the project, and (C) a loan for the remainder of the costs of the project, not exceeding one hundred per cent of the eligible water quality project costs. If more than three projects are eligible for the financing provided under this subdivision, the commissioner shall give priority, first to projects with the lowest permitted limit of phosphorus discharge as contained in a valid discharge permit issued pursuant to section 22a-430, and then to those that remove the greatest amount of phosphorus, as measured in pounds per year.”