Water Pollution Control Loan Fund

Environmental Protection Agency

Program Year 2027

Call for Nominations and Program Updates

Nominations due September 25, 2026

WPCLF Program Website: https://epa.ohio.gov/divisions-and-offices/environmental-financial-assistance/financial-assistance/wpclf

Division of Environmental and Financial Assistance - Office of Financial Assistance (OFA)

Ohio Environmental Protection Agency

Administers both state revolving loan fund programs:

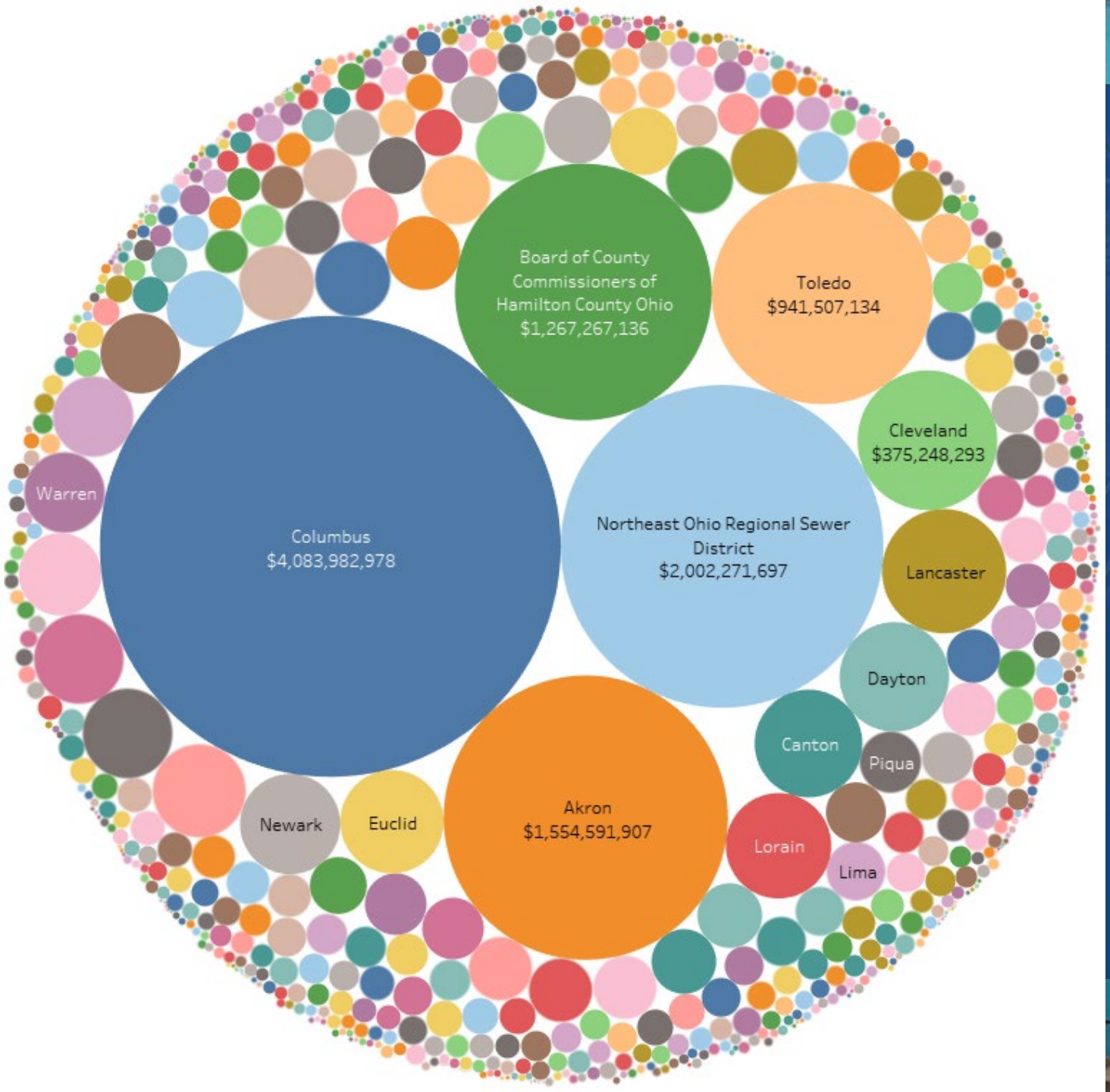
- Clean Water State Revolving Fund (CWSRF)
- Called the **Water Pollution Control Loan Fund (WPCLF)** in Ohio

- Drinking Water State Revolving Fund (DWSRF)
- Called the **Water Supply Revolving Loan Account (WSRLA)** in Ohio

State Revolving Fund (SRF) Programs

- Single largest source of public funding for infrastructure
- Below-market interest rates and rate discounts
- Principal forgiveness loans
- Broad eligibility for water and wastewater needs
- Co-funding with other sources is common/ encouraged
- Well-established, large financial capacity annual programs

Ohio Environmental Protection Agency



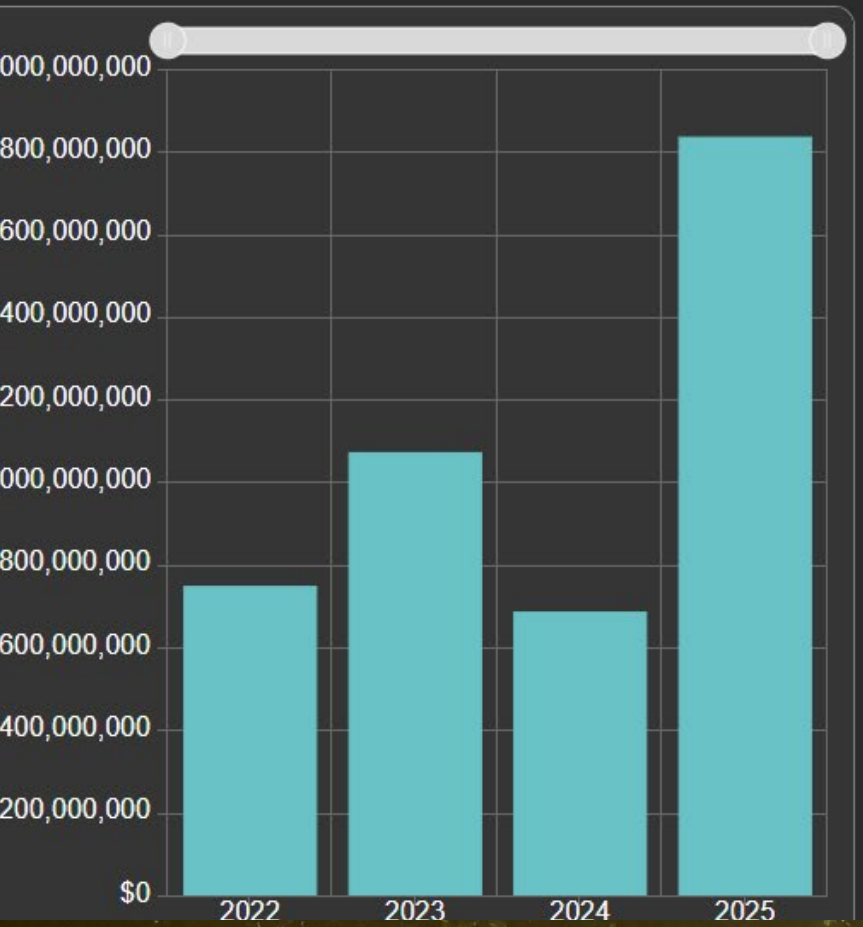
$20 Billion in SRF Loans

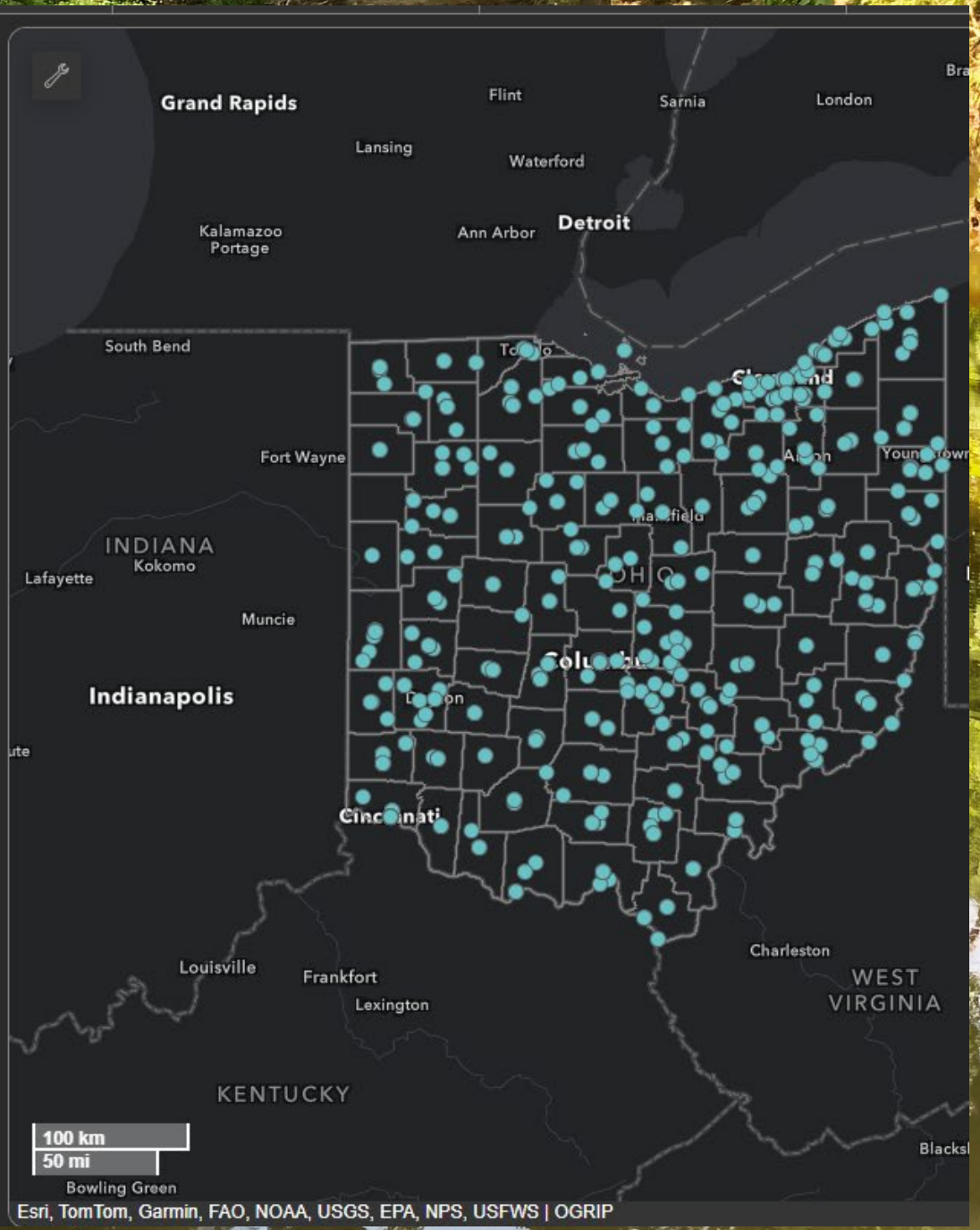
Ohio Environmental Protection Agency

WPCLF Loan Awards 2022-2025

,352,919,025
oans Awarded

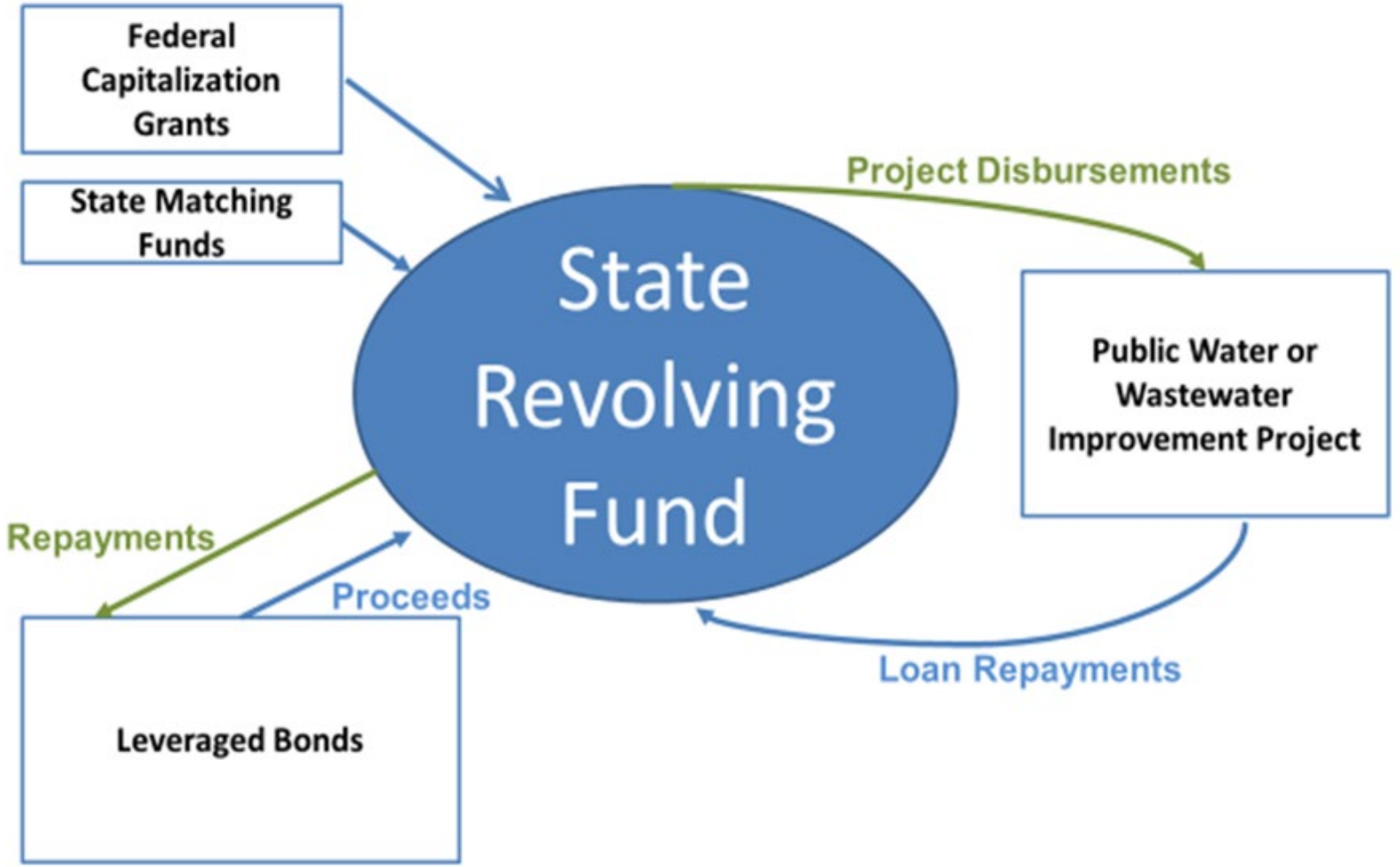
$246,650,154
Principal Forgiveness





How do State Revolving Funds work?

Ohio Environmental Protection Agency



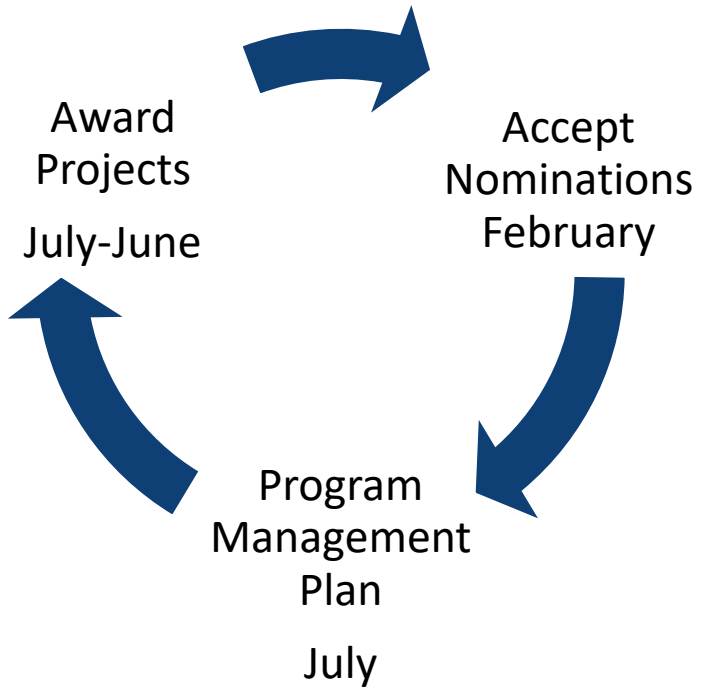
SRF Funding Cycles

Ohio Environmental Protection Agency

WPCLF – Calendar Year



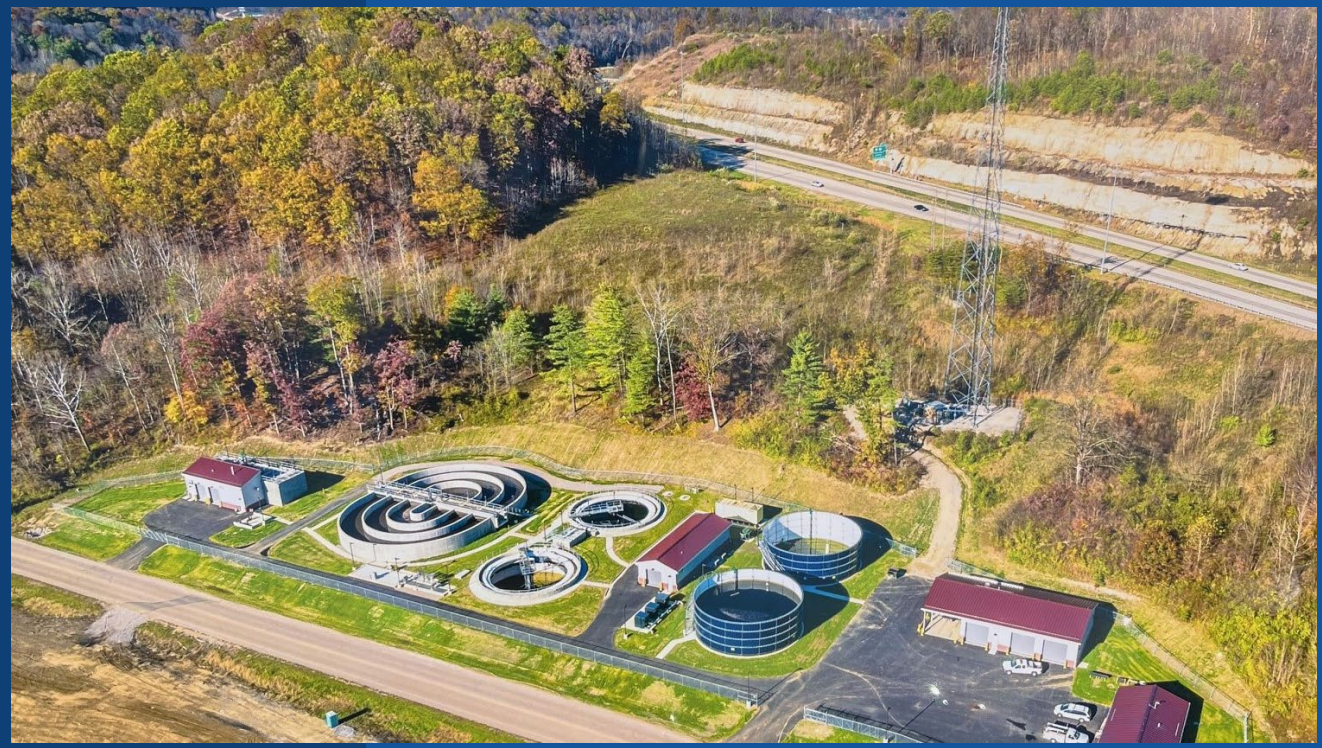
WSRLA – State Fiscal Year



What projects can be financed through the WPCLF?

<u>Projects with a water quality benefit:</u>

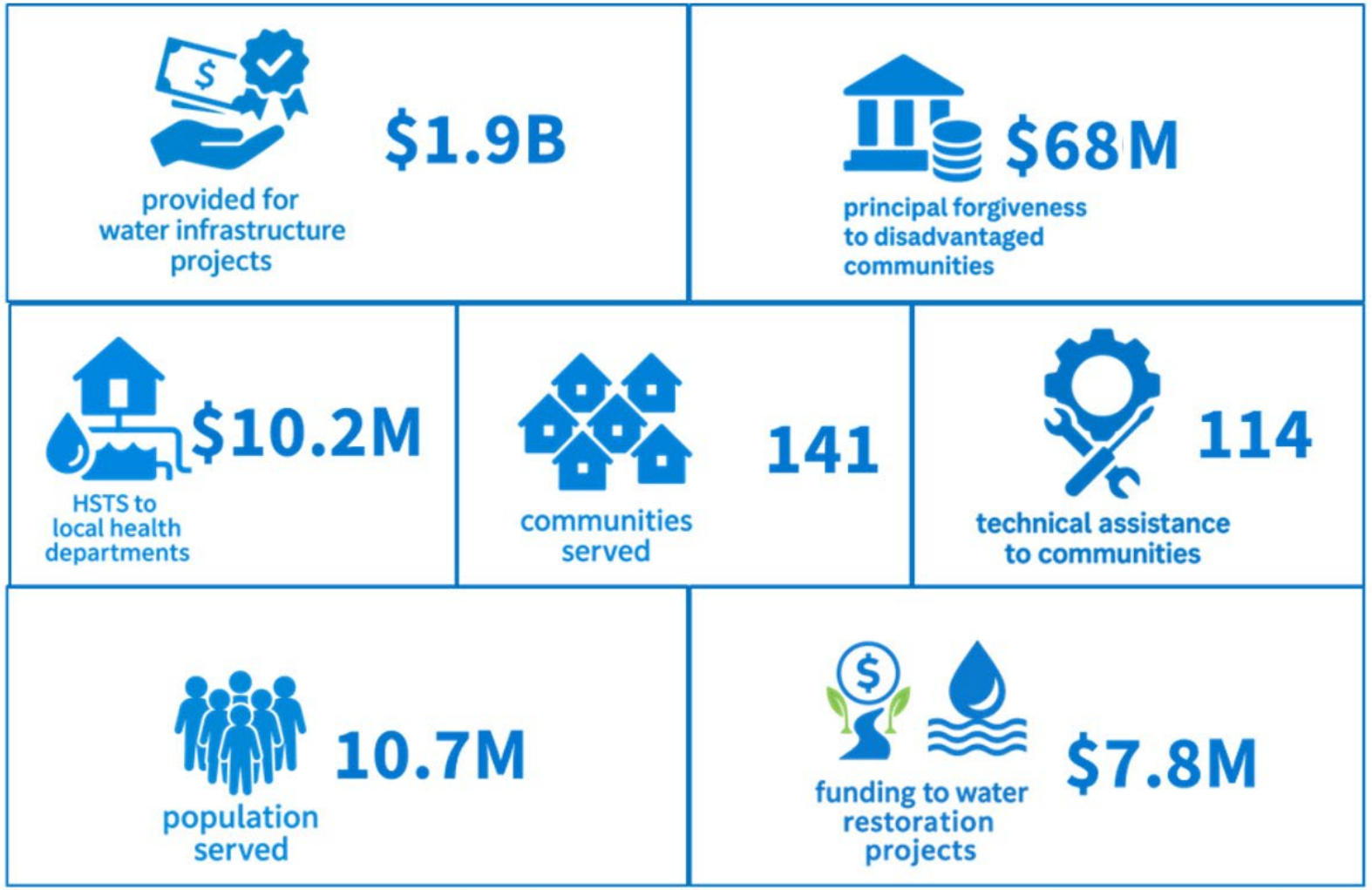
- Publicly-owned treatment works
  - System improvements, new construction, water efficiency, energy efficiency/resiliency, security
- Regionalization
  - Extending service to underserved areas
  - Consolidating systems
- Household sewage treatment systems
  - HSTS program with local health departments
  - Connecting unsewered areas to sewers
- Stormwater projects
  - Requires a collected stormwater utility fee from users



Ohio Environmental Protection Agency

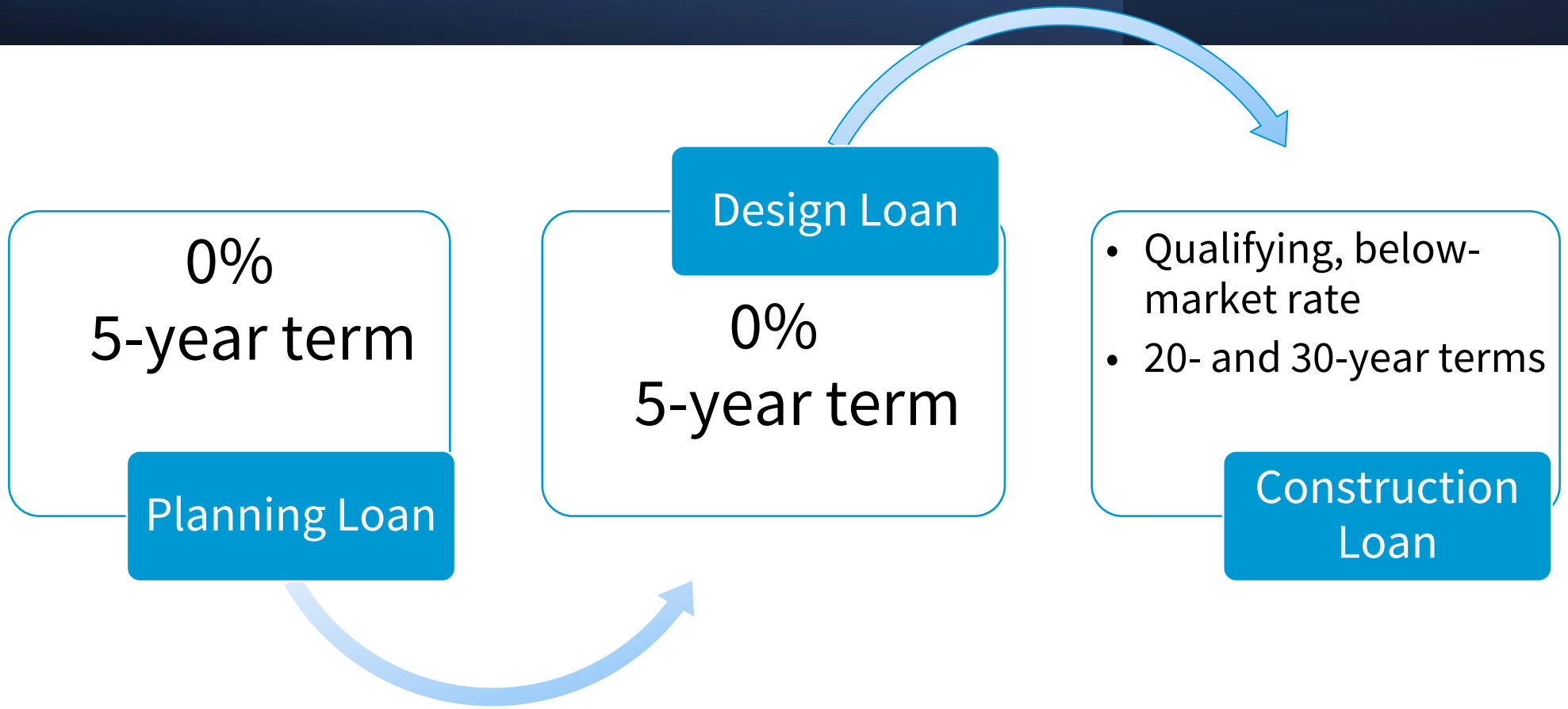
WPCLF 2025 Accomplishments
(Jan. 1, 2025 – Dec. 31, 2025)

Ohio Environmental Protection Agency



Available Loan Types and Terms

Ohio Environmental Protection Agency



Repayments for planning and design are deferred when rolled into another loan before 1st payment date

Construction loan terms available up to 45 years for qualifying borrowers with useful life of infrastructure evaluation

WPCLF Funding Requirements

Ohio Environmental Protection Agency

- User charge system – fee structure for collection of user fees with approved rates
- Approved project planning for design and construction projects
- Permit-to-install (PTI) and/or detail plan approval
- Approved bidding and contract documents
- Contracts, agreements for services, estimated costs for administrative line items (legal fees, easement recording, etc.)
- Single audit/SEFA reporting
  - Federally funded projects (e.g., emerging contaminants)

Construction Requirements

Construction Guidance Document

- Davis-Bacon Wage Rates
- American Iron and Steel
- Build America Buy America Act*
- Disadvantaged Business Enterprise
- Equal Employment Opportunity
- Federal Debarment



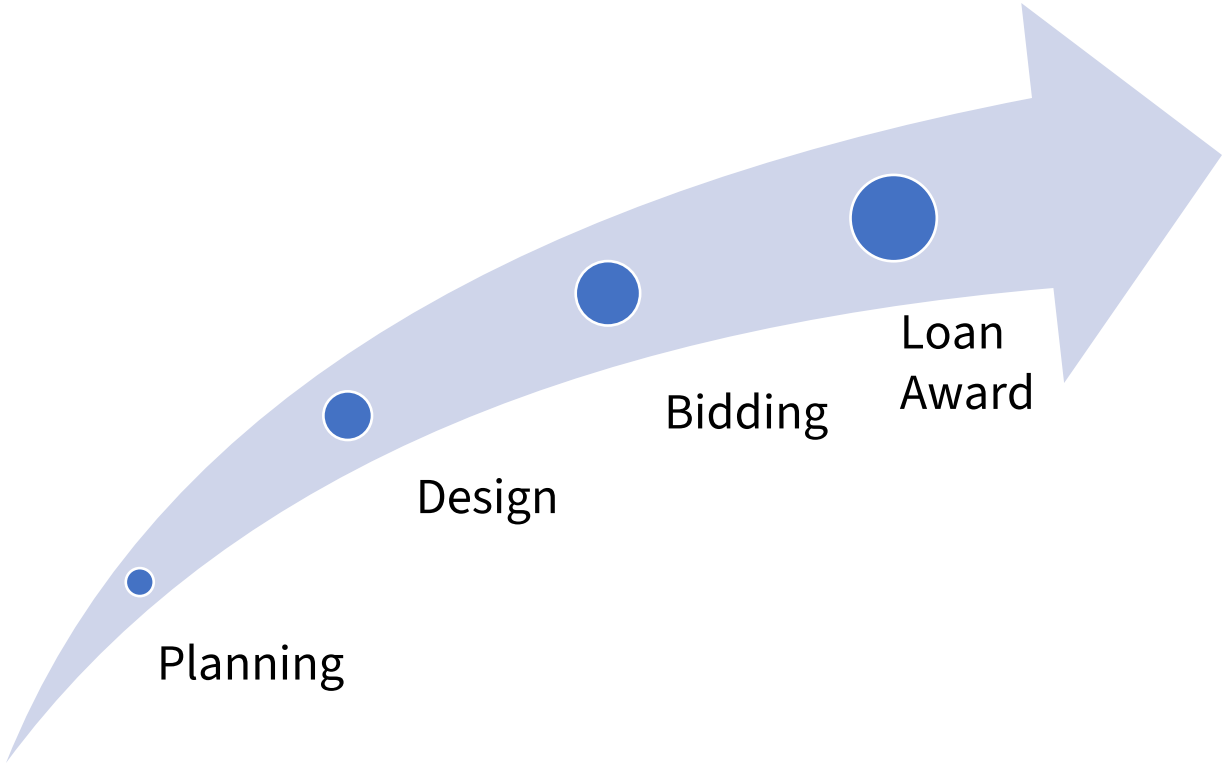
*Federally funded projects

Ohio Environmental Protection Agency

General Project Funding Process

Ohio Environmental Protection Agency

- Project Planning/Facility Plan Approval
- Design
- PTI Review/Approval
- Competitive Bidding
- Loan Awards
  - OWDA Board Meeting



2027 Program Management Plan

Ohio Environmental Protection Agency

- The PMP will include a list of all projects seeking assistance in 2027 as well as principal forgiveness and discount funding allocations
- All nominations will be scored and assigned an interest rate
- Draft PMP issued for 30-day public comment period
  - **Comment period anticipated November 2026**
  - Look for your projects and ask questions or submit a comment
- Final PMP anticipated **January 2027**

Program Management Plan Changes for 2027

Ohio Environmental Protection Agency

- Regionalization discount capped at $5M per project

- Hardship rates for disadvantaged communities
  - For PY2027, communities eligible for principal forgiveness will receive hardship interest rates based on MHI and population size (Hardship 1% and Hardship 0%)
  - Interest rates and a listing of small communities eligible for principal forgiveness is available on the program webpage: Water Pollution Control Loan Fund | Ohio Environmental Protection Agency
  - Communities less than 10,000 population that do not meet the disadvantaged community criteria will receive the Small Community rate

WPCLF 2027 Funding

Ohio Environmental Protection Agency

Capitalization Grants and Infrastructure and Investment Job Act (IIJA) Funding

- Last year for IIJA funding
- Capitalization grants for loans and principal forgiveness
- IIJA funding for loans and principal forgiveness
  - Emerging contaminant funding is 100% principal forgiveness

WPCLF Program Funds

- Average annual capacity $750M
- Low-interest loans

Estimates of Ohio's Portion of IIJA Funds for the SRF Programs

Ohio Environmental Protection Agency

Year	Ohio's CWSRF Portion for Supplemental Award	Ohio's CWSRF Portion for Emerging Contaminants	Ohio's DWSRF Portion for Supplemental Award	Ohio's DWSRF Portion for Emerging Contaminants	Ohio's DWSRF Portion for Lead	Estimated Total
2022	$100 M	$5 M	$45 M	$19 M	$71 M	**$240 M**
2023	$117 M	$12 M	$48 M	$17 M	$167 M	**$361 M**
2024	$128 M	$12 M	$51 M	$17 M	$184 M	**$392 M**
2025	$138 M	$12 M	$56 M	$17 M	$203 M	**$426 M**
2026	$138 M	$12 M	$56 M	$17 M	$202 M	**$425 M**
Total	**$621 M**	**$53 M**	**$256 M**	**$87 M**	**$827 M**	**$1.84 B**

Principal Forgiveness Portion	**$248 M**	**$53 M**	**$125 M**	**$87 M**	**$405 M**	**$918M**

Program Year 2027 Funding Highlights

Ohio Environmental Protection Agency

Interest Rates and Discounts

- Planning and design – 0%
- **Disadvantaged Community** Hardship rates – 1.0% and 0%
- Regionalization discount – 0% **up to $5M**
- Water Resource Restoration Sponsor Program discount – up to 0.1% rate reduction
- Nutrient Reduction discount – 0% for qualifying costs
- Local loan program discount – 0%
- **Water reuse discount – 0.0% for qualifying costs**
    - Effluent reuse projects

Principal Forgiveness – up to $84M

- Regionalization
- Small disadvantaged community projects
- Large disadvantaged community projects
- Household sewage treatment systems
- Backup power/generator purchase

Program Year 2027 Highlights
Principal Forgiveness

Ohio Environmental Protection Agency

Maximum $4M per project

- Project score, readiness-to-proceed, and agency priorities will be used to rank projects for principal forgiveness funding
- Agency priorities: regionalization, sewer overflows, unsewered areas, agency orders, or verified complaint, etc.
- One award per entity per program year
- High scoring projects from disadvantaged communities will be evaluated for readiness-to-proceed

Program Year 2027 Highlights
Emerging Contaminants

Ohio Environmental Protection Agency

$11.9M principal forgiveness

- Planning, design, and construction activities
- Planning projects:
  - Sampling effluent from industrial users
  - Purchase of sampling equipment for the WWTP
  - Conduct alternatives analysis
- Nominations may be submitted at any time during the program year

Qualifying for Principal Forgiveness

Ohio Environmental Protection Agency

Disadvantaged Community Criteria (must meet 3 of 4)

Socio-Economic Benchmarks	Program Value
Median Household Income (MHI) less than or equal to statewide average	≤ $71,389
Individuals with income below 200% of poverty level greater than or equal to statewide average	≥ 29.3%
Unemployment Rate (civilian) greater than or equal to statewide average	≥ 4.8%
Percent Population Change <150%	2010-2020

Readiness-to-Proceed Documentation

Ohio Environmental Protection Agency

Submitted with the nomination:

- Established user charge system – approved rates, planning fee collection underway
- Approvable project planning information - include regionalization evaluation, if applicable
- Design contract executed - summary of design work completed to date
- PTI application submitted – documentation of submittal
- PTI application approved – notice of approval
- Public participation documentation – public meetings, project information available online, press release, news article, plan for ongoing communication
    - Very important for projects that will increase user rates or impact residents (typically regionalization, new or extended sewers, and high-cost projects)

Nomination Form

Ohio Environmental Protection Agency

- Excel format
- Instructions are part of the nomination document
- Tab 5 generates a schedule of required submittals and project milestones based on desired loan award date
- Identifies project for potential discounts and principal forgiveness
- Indicate interest in WRRSP sponsorship on the discounts section

- Other Grant Funding
  - Nominations may be considered separately for other funding sources (i.e., H2Ohio funding, additional U.S. EPA grants)

https://dam.assets.ohio.gov/raw/upload/epa.ohio.gov/Portals/29/documents/ofa/WPCLF-WSRLA-Nomination-Form.xlsx

Nomination Form – Submittal Checklist

Environmental Protection Agency

Use the nomination checklist to ensure all required documents are submitted

WPCLF/WSRLA Nomination Checklist - Required Documents

The following checklist indicates the information necessary for Ohio EPA DEFA to review and prioritize projects. Ohio EPA may review all readily available project information in addition to the nomination

☐	A copy of legislation authorizing current water and sewer rates/tap-in fees. Please include both water and wastewater information. ***Note: To obtain a loan from Ohio EPA, the Borrower is required to pledge user revenues derived from the ownership and operation of their system sufficient for repayment of the loan.***
☐	Documentation supporting creation of water or sewer utility (for new systems) including proposed rate structure and schedule for collection of fees.
☐	A map showing the project(s) location. The map should be either a 7.5 minute USGS topographic map, or a property map, that shows the project details.
☐	Project planning information WPCLF Project Planning Guidance **A Regionalization Evaluation is required for design or construction of a new WWTP, plant expansion, major WWTP improvements or extensions to unsewered area project** WSRLA Project Planning Guidance **An Ohio EPA approved General Plan is required with the nomination of design or construction loans for new or replacement water treatment plants, new type of treatment, and major rehabilitation.** DDAGW's Engineering and Plan Approval website for more information on General Plan submission process.
☐	A scope of services and/or an agreement for planning, design or construction engineering services.
☐	For **Construction loans**, along with project planning information, submit any Basis of Design documents and/or Preliminary Engineering Reports.

Nomination Form – Project Schedule

Environmental Protection Agency

4.0 Funding Type, Estimated Project Amounts, and Proposed Loan Award Date

Enter an estimated loan award date and amount. Enter the date as the 1st of the month in which the loan will be awarded. The estimated loan date will autofill the Project Schedule on TAB 5. No loans are awarded in November. **For HSTS projects, the schedule is predefined as indicated below and on Tab 5; enter the amount of principal forgiveness requested in the estimated loan amount column.**

		Estimated Loan Award Date (month/year)	Estimated Loan Amount
☐	Planning Loan		
☐	Design Loan		
☐	Construction Loan		

Submit one nomination form per project. Each project phase will be awarded as a separate loan.

Nomination Form – WPCLF Tab

Ohio Environmental Protection Agency

Check all that apply!

9.0 WPCLF Required Environmental Information

Do any of the following apply to your project? **If so, please attach the corresponding data or information that indicates how the following items will be addressed by the project.** *A detailed description of the items listed below can be reviewed in the loan nomination instructions.*

☐ Sewage Backups*	☐ Failing Household Sewage Treatment Systems (HSTS)*
☐ Dry Weather Overflows*	☐ Potential Impacts to Ground Water
☐ Wet Weather Overflows*	☐ Potentially Impacted Surface Waters
☐ Regionalization	☐ Surface Water Exceeds WQS for Bacteria

10.0 Sewage Overflow Control and Failing HSTS Information

If you checked any of the items with an asterisk (*) in the section above then your project is intended to address public health or water quality impacts due to either dry or wet weather overflows from either sanitary sewers, or combined sewers or failing HSTS.

This project will reduce the number of backup events by 50% or more, or eliminate occurrences of backups into buildings due to inadequate capacity of sewers or equalization basins to handle flows during wet weather conditions. **Answer Question 1**	
This project will eliminate dry weather overflows (these are not WWTP bypasses) due to inadequate capacity of sewers to carry flows during dry weather conditions from either a sanitary sewer system or a combined sewer system. **Answer Question 2**	
This project will reduce or eliminate the volume or frequency of one or more wet weather overflows (not WWTP bypasses) by constructing separate sewers (installing new storm and/or sanitary sewers). **Answer Question 3**	
This project will reduce or eliminate the volume or frequency of one or more wet weather overflows (not WWTP bypasses) by either constructing additional storage of wet weather flow or by eliminating sources of infiltration and inflow. **Answer Question 3**	
This project will reduce or eliminate the volume or frequency of one or more wet weather overflows (not WWTP bypasses) by constructing additional treatment at combined sewer overflows (CSO) outfalls (e.g. swirl concentrators). **Answer Question 3**	
This project will reduce or eliminate the volume or frequency of one or more wet weather overflows (not WWTP bypasses) by constructing express sewers to route sanitary flow out of the combined sewer directly to the WWTP. **Answer Question 3**	
This project will reduce or eliminate the number of failing HSTS within the project area. **Answer Question 4**	

Answer questions 1-4 for sewer backups and overflows or failing HSTS

Nomination Form – WPCLF Tab Supporting Documentation

Ohio Environmental Protection Agency

9.0 WPCLF Required Environmental Information

Do any of the following apply to your project? **If so, please attach the corresponding data or information that indicates how the following items will be addressed by the project.** *A detailed description of the items listed below can be reviewed in the loan nomination instructions.*

☐	Sewage Backups*	☐	Failing Household Sewage Treatment Systems
☐	Dry Weather Overflows*	☐	Potential Impacts to Ground Water
☐	Wet Weather Overflows*	☐	Potentially Impacted Surface Waters
☐	Regionalization	☐	Surface Water Exceeds WQS for Bacteria

Sewage Backups

- Basement backups or onto residential properties due to inadequate sewer capacity
- Eligible events within the last 2 calendar years
- Customer complaints of backups, documented sanitary sewer overflows onto residential property

Failing HSTS

- Letter from county health department with known HSTS failures in the project area

Nomination Documents
Project Planning Information

Ohio Environmental Protection Agency

- Project planning information is the **foundation** of the environmental review process. Submission of complete and accurate information is vital to ensure a timely review.
- Project planning information can come from different sources. Content matters more than format:
  - Facilities plan
  - Preliminary engineering report
  - Technical memo

- Review our guidance: WPCLF Project Planning Guidance

Project Planning Keys to Success

Ohio Environmental Protection Agency

Public Participation – early outreach can garner local support for a project or identify project hurdles avoiding costly project delays

- Required especially for projects anticipating rate increases, special assessments, work on private property, environmental impacts, local controversy, etc.
- Documentation of outreach and participation efforts is required

Environmental Impacts – coordinate with your DEFA's environmental planning team to identify and manage anticipated impacts during the planning and design stage.

- Communicate anticipated impacts early on. Planning for additional steps such as surveys, permitting, and coordination with other regulatory agencies will help to avoid potential delays to the funding award and during construction

Project Planning Regionalization Evaluation

Ohio Environmental Protection Agency

- Applicable to specific project types:
  - New WWTP - Extensions to unsewered areas
  - Plant expansion - Major WWTP improvements
- Planning projects must follow updated planning guidelines
- Design projects with planning already complete will undergo a focused review of the regionalization evaluation prior to loan award
- Construction projects with planning and design complete must receive approval of regionalization evaluation prior to loan award

Nomination Process

Environmental Protection Agency

Submittal deadline: **Sept. 25, 2025**

- Nominate all new projects for funding consideration in 2027
- Renominate projects currently under review by DEFA but may not be ready for loan award until 2026
- **Submit to: DefaMail@epa.ohio.gov**
  - One submission per project
  - One automatic response per applicant
- Large File Submissions – for documents exceeding 10MB

WPCLF Online Resources

Ohio Environmental Protection Agency

- Nomination form with instructions
- Disadvantaged community overview
- Readiness-to-proceed overview
- Principal forgiveness - eligible entity lists
- Interest rates
- Updated instructions for submission of large files

epa.ohio.gov/divisions-and-offices/environmental-financial-assistance/financial-assistance/wpclf

Contact Information

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