



CWSRF ELIGIBILITY EXPANSION

2018 CWSRF Intended Use Plan



H.777 Proposed Changes

- Expand eligibility to include natural resource project types
- Expand eligibility of CWSRF to allow for direct lending to private entities for all project types

How does CWSRF work?



Proposals to expand utilization of CWSRF in Vermont...



Expand Eligibility to Natural Resource Projects

- Current statute restricts CWSRF eligibility to only “project related” nonpoint sources and green stormwater infrastructure
- These projects have no rate payers to generate revenue but are generally the best “bang for the buck” in terms of water quality improvement





Expand Eligibility to Private Entities

- Provide access to capital for upcoming “tsunami” of costs related to 3 acre SW permit
- Charge the private entities an interest rate below market but higher than municipalities
- Generate extra fund income to supplement sponsorship projects
- Opens door to sponsorship with non-profits (TNC, Friends of Winooski, etc.)

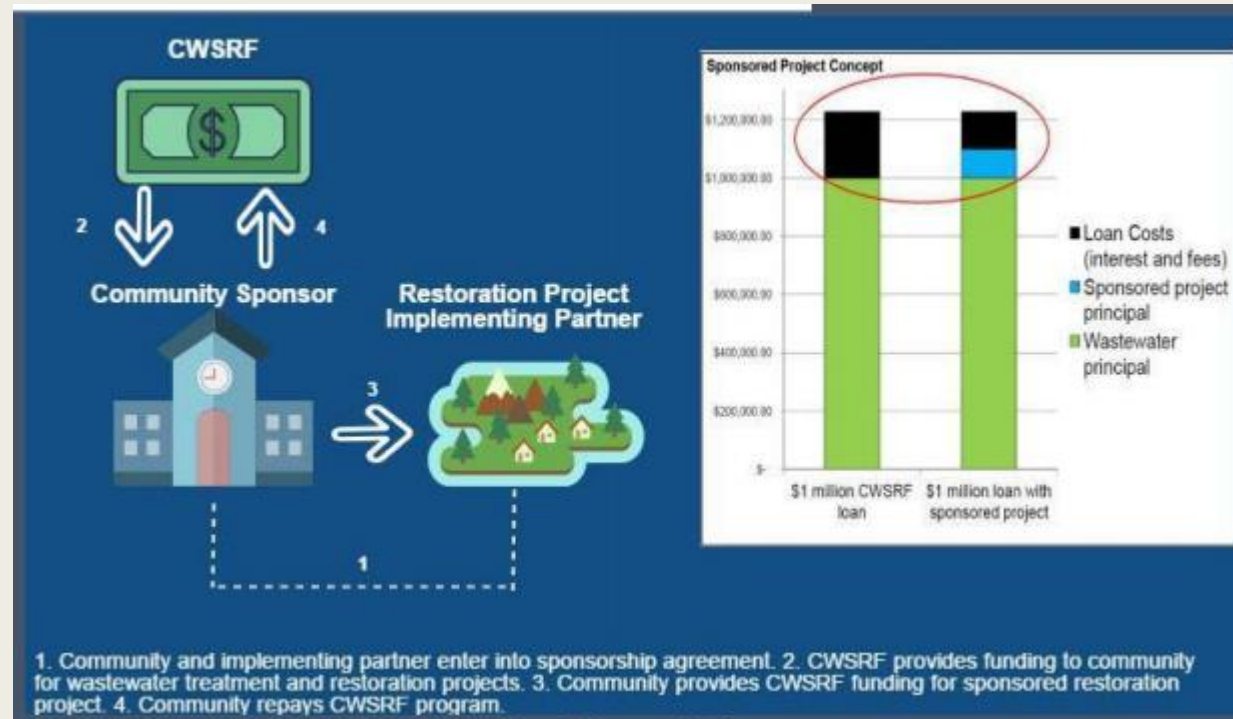
Who are Private Entities?

- Mobile Home Parks
- Ski resorts
- Homeowners Associations
- Breweries
-other nonprofit or for profit entity with financial needs, particularly to comply with stormwater requirements

What is sponsorship?

Create Sponsorship Pilot

- Pairs a traditional treatment works project with a nonpoint source project in exchange for an interest rate discount.



Why sponsorship?

This
Generates
Revenue



Why sponsorship?

This
Doesn't

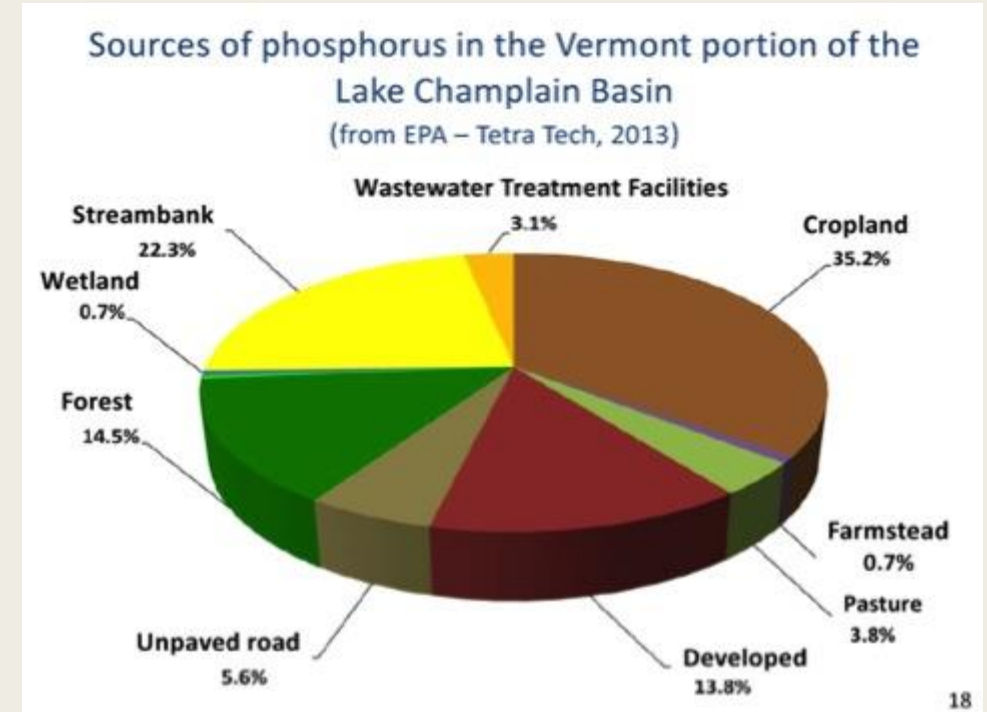


Challenge:



Why sponsorship?

- CWSRF is currently only focusing on WWTF, small % of pollution in Lake Champlain.
- Encourages “green” water restoration or protection projects
- Provides funding source to projects that otherwise wouldn’t be pursued
- Encourages the concept of Public-Private Partnerships
- Provides water quality improvements needed by municipalities and preserves “additional subsidy”



What kinds of projects could sponsor?

Traditional project examples (the “sponsoring” project):

- *Collection system improvements*
- *Wastewater treatment facility upgrades*
- *Grey stormwater facilities*
- *Interceptor, force main or pump station projects*

Sponsored projects can be municipally owned and maintained or owned and maintained by a private non-profit such as the nature conservancy (public-private partnership)

What projects could be sponsored?

- Green stormwater infrastructure
- Protection or restoration of streamside (riparian) areas and wetlands
- Acquiring riparian lands or wetlands
- Developing and acquiring conservation easements
- Alterations to stream banks and habitat improvements
- Improvement to nonpoint source polluted runoff
- Source water protection

And the winners are....

- *Municipalities that get “free” additional water quality projects*
- *Private entities that have access to funding*
- *Stronger public-private partnerships*
- *CWSRF program increases utilization*
- *State of Vermont: Changes CWSRF focus from “clean up” (treatment) to prevention, which is cheaper*

Potential expert testimony?

- Martha Sheils, Univ. of Maine, Environmental Finance Center
- Tahne Corcutt, Northbridge Environmental Management