



# Draft Interim Financial Capability Assessment Guidance

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Olympia, Washington

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### Related Information

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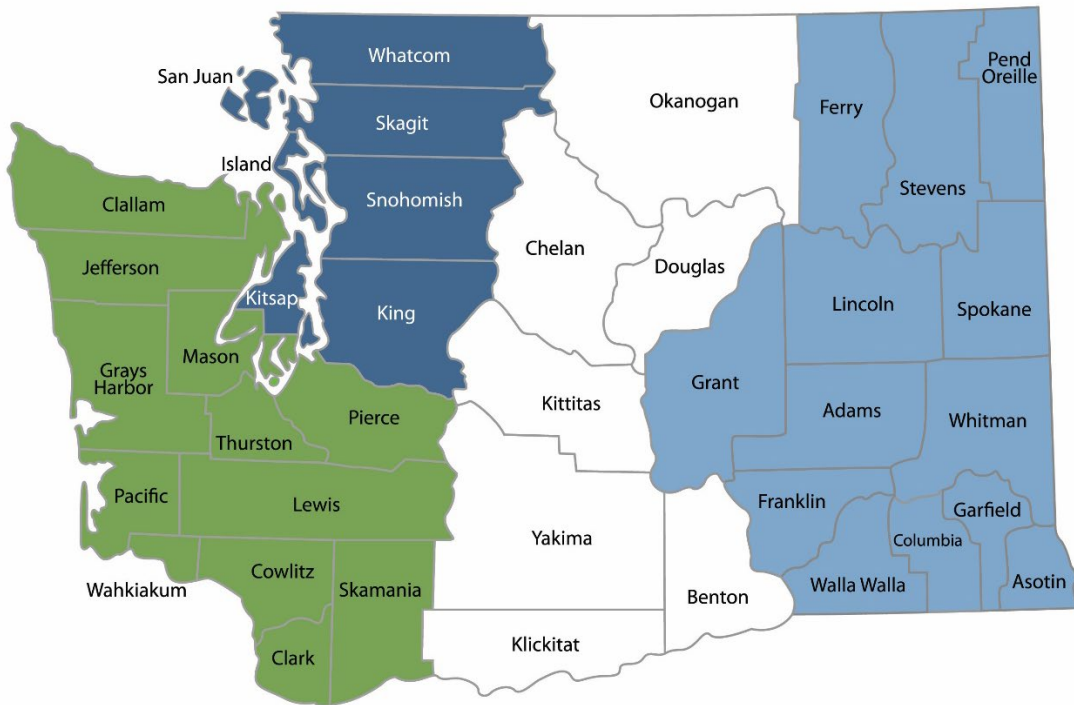
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<sup>1</sup> [www.ecology.wa.gov/contact](http://www.ecology.wa.gov/contact)

# Department of Ecology's Regional Offices

## Map of Counties Served



<b>Southwest Region</b> 360-407-6300	<b>Northwest Region</b> 206-594-0000	<b>Central Region</b> 509-575-2490	<b>Eastern Region</b> 509-329-3400
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Region	Counties served	Mailing Address	Phone
<b>Southwest</b>	Clallam, Clark, Cowlitz, Grays Harbor, Jefferson, Mason, Lewis, Pacific, Pierce, Skamania, Thurston, Wahkiakum	P.O. Box 47775 Olympia, WA 98504	360-407-6300
<b>Northwest</b>	Island, King, Kitsap, San Juan, Skagit, Snohomish, Whatcom	P.O. Box 330316 Shoreline, WA 98133	206-594-0000
<b>Central</b>	Benton, Chelan, Douglas, Kittitas, Klickitat, Okanogan, Yakima	1250 West Alder Street Union Gap, WA 98903	509-575-2490
<b>Eastern</b>	Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grant, Lincoln, Pend Oreille, Spokane, Stevens, Walla Walla, Whitman	4601 North Monroe Spokane, WA 99205	509-329-3400
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DEPARTMENT OF  
**ECOLOGY**  
State of Washington

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## Abbreviations and Acronyms

ACS	American Community Survey
AWC	Association of Washington Cities
AKART	All Known, Available and Reasonable Methods of Prevention, Control and Treatment
BLS	Bureau of Labor Statistics
CAP	Consumer Assistance Program
CDP	Census Designated Place
CPH	Pollution Control Cost per Household
CWA	Clean Water Act
CWSRF	Clean Water State Revolving Fund
EPA	US Environmental Protection Agency
FAA	Financial Alternatives Analysis
FCA	Financial Capability Assessment
FPL	Federal Poverty Level
LQI	Lowest Quintile of Income
LQPI	Lowest Quintile Poverty Indicator
MHI	Median Household Income
PSNGP	Puget Sound Nutrient General Permit
RCW	Revised Code of Washington
TIN	Total Inorganic Nitrogen
WWTO	Waste Water Treatment Plants
WQS	Water Quality Standards

# 1. The Purpose of Ecology's Guidance

The Washington State Department of Ecology (Ecology) manages the Puget Sound Nutrient General Permit ("Nutrient Permit"). The Puget Sound Nutrient General Permit requires 58 publicly owned domestic wastewater treatment plants (WWTPs), which discharge nutrients into Puget Sound, to prepare reasonable treatment alternatives as part of a required AKART (All Known, Available, and Reasonable methods of prevention control and treatment) analysis for reducing nutrient discharge. The Puget Sound Nutrient General Permit has assigned a category (small, moderate, or dominant) to each WWTP based on their percentage of the total inorganic nitrogen (TIN) load currently discharged to the Puget Sound.

Wastewater Treatment Plants with Dominant or Moderate TIN loads are required to prepare a Nutrient Reduction Evaluation, which includes an AKART analysis and an Economic Evaluation of reasonable treatment alternatives. For WWTPs with Dominant or Moderate TIN loads, reasonable treatment alternatives must be developed for achieving two different levels of treatment: (I.) AKART for nitrogen removal (annual basis) and (II.) 3 mg/L TIN (or equivalent load), as a seasonal average (April through October).

Wastewater Treatment Plants with Small TIN loads are required to prepare an AKART analysis and an Economic Evaluation of reasonable treatment alternatives to maintain an annual TIN average of < 10 mg/L.

For all the WWTPs regulated by the Puget Sound Nutrient General Permit, an Economic Evaluation of reasonable treatment alternatives includes completion of an affordability assessment to help identify an economically reasonable level of treatment in the context of AKART (all known, available and reasonable methods of prevention, control and treatment).

As referenced in the [Puget Sound nutrient general permit fact sheet](#) and [Ecology's website](#), Ecology has used the US Environmental Protection Agency's (EPA) Financial Capability Assessment (FCA) guidance when looking at options for assessing financial capabilities to implement requirements under the Clean Water Act.<sup>2</sup> Specifically, the EPA assessment helps identify the feasibility of the permittee to take on the financial costs of the project by considering factors such as debt capacity of a community, affordability of wastewater utility rate increases to impacted households, and disproportionate impacts to low income and impoverished populations.

## Background

In February 2023, the [EPA updated its Clean Water Act Financial Capability Assessment Guidance](#) (2023 EPA guidance) to supplement and describe the following: [1995 Interim Economic Guidance for Water Quality Standards](#) (1995 EPA guidance from here on) and [1997 Combined Sewer overflows Guidance for Financial Capability Assessment and Schedule](#)

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<sup>2</sup> <https://ecology.wa.gov/regulations-permits/permits-certifications/nutrient-permit#:~:text=The%20Nutrient%20General%20Permit%20applies,the%20WWTPs'%20existing%20individual%20permits.>



[Development](#) (1997 EPA guidance from here on).<sup>3,4,5</sup> The largest additions to otherwise similar calculations across both historical guidance approaches is the Lowest Quintile Poverty Indicator (LQPI) that defines disadvantaged households within a community, and the “Expanded Economic Impacts Matrix” that combines the LPQI with previous measures of financial health.

**Refining calculations:** While Ecology recommends continued use of EPA’s FCA guidance, the release of the February 2023 version (revised March 2024) and updated EPA spreadsheet tool created an opportunity to review and improve its usefulness for evaluating public project impacts in the context of state-specific data.

For example, at the time of this writing, EPA's FCA spreadsheet tool provides calculations necessary to evaluate wastewater treatment projects under "Alternative 1" in the 2023 EPA guidance. However, alternative 1 (based on 1997 FCA guidance) is intended for schedule development and negotiation, and Section 3 (based on 1995 Water Quality Standards (WQS) guidance) is intended to guide states in evaluating the economic impact of water quality decisions (2023 EPA guidance pg. 34). Despite the former approach garnishing an outsized level of detail and support in EPA's 2023 guidance document and spreadsheet tool, the context of the latter is more applicable to requirements of the Nutrient Permit. In addition, the EPA’s LQPI leverages national baselines in its calculation and reports impacts in total (i.e. existing and project impact together) that could limit fair and robust evaluation in the Washington state context.<sup>6</sup>

To be consistent with EPA's 2023 guidance and available tools, whilst better assisting Washington public sector wastewater entities, Ecology developed an amended EPA FCA spreadsheet tool (hereafter references as Ecology’s spreadsheet tool, located on Ecology’s [Puget Sound Nutrient General Permit](#) web page). Ecology's spreadsheet tool aligns calculations with Section 3 of EPA's 2023 guidance "economic impact analysis for WQS decisions for the public sector". To this, Ecology’s spreadsheet tool also reports total impacts and non-project baselines, state-level LQPI baselines, and reports alternative measures, like costs as a percent of lowest quintile of income (LQI). No new data inputs are needed to complete Ecology's spreadsheet tool beyond what was already required in EPA's configuration. Ecology's spreadsheet tool also fully maintains EPA's original alternative 1 results and overall layout to the degree that they are useful for other federal or state consultation.

The purpose of this guidance document is to:

- Provide tips for completing Ecology’s spreadsheet and steps for submitting materials to Ecology (Section 2),

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<sup>3</sup> <https://www.epa.gov/system/files/documents/2023-01/cwa-financial-capability-assessment-guidance.pdf>

<sup>4</sup> <https://www.epa.gov/system/files/documents/2024-01/interim-economic-guidance-water-quality-standards-workbook-1995.pdf>

<sup>5</sup> <https://www3.epa.gov/npdes/pubs/csofc.pdf>

<sup>6</sup> Note that other versions and vintages, reflecting adjustments to the EPA’s FCA calculator may be in use elsewhere throughout state government, including Ecology. If completing an FCA for a use outside of Nutrient Permit purposes, be sure to consult with appropriate contacts.

- Describe Ecology’s motivation in amending EPA guidance (Section3),
- Give updated information on funding opportunities for public wastewater treatment plants in Washington state (Section 4).

## Environmental justice considerations

Environmental justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation and enforcement of environmental laws, regulations, and policies ([RCW 70A.02.005](#)).

Ecology supports an evaluation of environmental justice impacts of permitted actions on rate payers and vulnerable people, and concerted government actions to mitigate negative impacts for communities that have the greatest environmental and health burdens.

This FCA guidance and the results are not, nor are intended to be, an absolute or comprehensive picture of the environmental justice impacts from municipal wastewater management, including any nutrient reduction actions to comply with the Nutrient Permit. Permittees are required to assess environmental justice more broadly, identify strategies to mitigate harms and amplify benefits for people experiencing the greatest environmental and health burdens in the Nutrient Permit (page 18).<sup>7</sup>

In this FCA guidance, Ecology provides tools to understand the *financial* impacts of anticipated permitted actions. These financial impacts include economic justice considerations such as, income inequality, poverty, and income-based food assistance among other measures. Permittees should incorporate the recommended justice considerations within this FCA, particularly the LQPI, with the broader environmental justice review in the Nutrient Permit to develop a dynamic understanding of the equity considerations for each permitted project

## 2. Analytical Steps and Deliverables

Governments have the authority to levy taxes and distribute pollution control costs among households and businesses according to the tax base. Similarly, sewage authorities charge for services, and thus can recover pollution control costs through user fees. Whether or not the community faces substantial impacts from the Nutrient Permit depend on existing pollution control burdens, the cost of new pollution control projects, the financial health of the community, and its socioeconomic vulnerability, among other factors.

To provide a holistic categorization of these impacts, **we recommend the following steps outlined in Ecology’s FCA spreadsheet tool (tabs reference in red below), and related analytical sections of the 2023 EPA FCA guidance.**<sup>8</sup> This multistep approach includes:

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<sup>7</sup> <https://apps.ecology.wa.gov/paris/DownloadDocument.aspx?Id=390719>

<sup>8</sup> Caveats and additions to note when comparing EPA’s current online FCA spreadsheet tool and Ecology’s spreadsheet tool are discussed in greater detail in Section 2.2.

1. Identify your affected community ([Instructions\\_Demographic](#), [Inputs\\_Demographic](#)),
2. Calculate pollution control cost per household as a percent of median household income (%MHI) and upper limit of the lowest quintile income (%LQI) ([Instructions\\_RI](#), [Inputs\\_RI](#)),
3. Determine initial financial capability through a combination of %MHI and an index of six socioeconomic, debt, and financial indicators ([Instructions\\_FCI](#), [Inputs\\_FCI](#)),
4. Calculate the Lowest Quintile Poverty Indicator (LQPI) score ([Instructions\\_Results\\_LQPI](#), [Results\\_LQPI](#)),
5. Combine the results of the Initial Economic Impact and the LQPI score to determine the Expanded Economic Impact ([Results\\_FCA\\_ECY](#)),
6. Perform a Financial Alternatives Analysis (FAA) ([Instructions\\_Checklist\\_FAAs](#), [Checklist\\_FAA](#)),
7. Iterate step 1-6 as needed with any updates resulting from the financial alternative analysis and related research.

**Upon completion, we recommend permittees submit, at a minimum, the following materials to Ecology's Water Quality Permitting Portal (WQWebPortal):**

1. The Ecology FCA spreadsheet tool, filled out with required information. This includes providing links or citations to for non-automatically generated data inputs (in comments and sources columns, where applicable). Please attach documentation if an internal source is used. The WWTP should provide this information for chosen treatment alternatives. Additional instances of the tool, related to the consideration of other options, may also be included in materials for context (please clearly mark as non-chosen alternatives).
2. A document discussing results of the Expanded Financial Capability Assessment ([Results\\_FCA\\_ECY](#)). This should include, but is not limited to:
  - Screenshot(s) of the expanded FCA matrix with and without project(s), along with intermediate statistics such as %MHI and %LQI.
  - Project and community details that may be driving (or attenuating) impacts.
  - Other key inputs and unique characteristics of the affected community that the permittee feels are not fully captured by the analysis (an example could be where a community imposes restrictions on property taxes).

- Summaries of similar relevant analysis performed by, or known to, the permittee. This could include data, presentations, local rate studies, surveys, or interviews.
3. A completed FAA. This can be printed from the completed Ecology FCA spreadsheet tool ([Checklist\\_FAA](#)), or a word document if room for additional discussion and formatting is desired.<sup>9</sup>
  4. Supplemental material as needed.

When preparing these materials, keep in mind that break points between categories in the FCA analysis are not, nor are intended to be, an absolute or comprehensive demarcation of financial capability.

Identifying overburdened communities and barriers to affordability do not relieve jurisdictions from meeting water quality standards. On one hand, low-income households may be paying a higher percentage of their total income for basic services and clean water, but on the other, if water quality standards of a community remain lower, overburdened and/or low-income neighborhoods will likely continue to suffer impacts to human health and use of the state's waters for activities such as swimming, and fishing. In short, if one of the intended goals of the permit is to address impacts to residents, allowing lower water quality may have the opposite effect by increasing pollution in the neighborhoods where they live, recreate, or consume local fish and shellfish.

While the FAA provide permittees, Ecology, and the public, information about mitigating efforts, where high impacts are found it is especially critical that communities develop a solution that accommodates the need to protect the receiving water while also providing a level of service to all residents within their community. In these instances, Ecology encourages permittees to evaluate, or re-evaluate, tiered or other alternative rate structures to offset adverse effects to the lowest income populations within the sewer service area or other innovative measures (e.g., fixed vs. variable charges, efficiency-oriented rate design, or usage based rates) that ensure affordability when adopting a new rate structure to support treatment upgrades.

The Association of Washington Cities ([AWC\) 2018 Utility Rate Survey](#) is an excellent resource for sewer rates and examples.<sup>10</sup> These data allow permittees to compare utility rates, rate

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<sup>9</sup> We highly recommend first reviewing Chapter 4 of this guidance for funding and rate assistance options, and [Appendix C of EPA's 2023 FCA Guidance](#) for additional details and resources associated with FAA question.

<sup>10</sup> <https://datadatadata-awcnet.opendata.arcgis.com/pages/utrs2018>

structures, number of connections, and other characteristics for up to three cities at a time (note there are no counties or special purpose districts included in the AWC data). Out of 295 communities Ecology surveyed in 2016, 116 offered a discounted rate based on criteria determined by the billing entity or city ordinance.<sup>11</sup>

## 2.1 Notes on Identifying the Affected Community

It is important to first define the affected community prior to completing other steps in the FCA. This is to ensure that fiscal and socioeconomic data is appropriately described throughout the analysis. For the purposes of the FCA, the "affected community" is made up of households at the city, town, or Census designated place (CDP) level (together discussed as a "city" hereafter), in a utility or water-sewer district service area responsible for paying the compliance costs of water treatment (see 57 RCW for water-sewer district definitions).

In the simple case, water-sewer districts generally line up with the jurisdictional boundaries of a single city, while in more complex cases, others may serve just portions of a city, multiple cities, or some combination of cities and portions of cities.

- **(Simple) Case A:** When all households in a single city pay compliance costs of water treatment, the city is the affected community.  
**Case B.** When all households in two or more cities pay compliance costs of water treatment, multiple cities make up the affected community.
- **Case C.** One or more cities with partial service can make up the affected community if a predominant share of households within each are responsible for paying the compliance costs of water treatment.

What constitutes a "predominant share" should depend on several factors. Generally, at least 75% of all households in the city should be responsible for paying the compliance costs of water treatment. More importantly, households that are not in the service area but included by way of city level reporting should not skew fiscal and social information in a material way. Permittees should provide, to the extent possible, quantitative or qualitative information about the balance of these households including but not limited to income, average assessed property value, and unemployment rates. Documented plans to connect the balance of households to services in the foreseeable future may be another justification for including otherwise partially served cities as the affected community.<sup>12</sup>

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<sup>11</sup> Summary report: <https://apps.ecology.wa.gov/publications/documents/1710024.pdf> . Data available at: <https://data.wa.gov/Natural-Resources-Environment/2016-Residential-Sewer-Rate-Survey/sibs-5k6j/data>

<sup>12</sup> For complex service areas, electronic Geographic Information System (GIS) shapefiles can be analyzed with census electronic shapefiles, allowing a more precise characterization. This includes but is not limited to intersecting

- Any combination of **Case B** and **Case C** can make up the affected community
- **Case D.** If only a portion of a single city is served (e.g., less than 75% of households served in a small special district), and limited in reporting standard fiscal and socioeconomic data, you may consider the city as the affected community. As with Case C above, permittees should take efforts to consider whether socioeconomic information at the city level would misrepresent the subset of households responsible for compliance cost. If so, describe to the best of your ability how, or contact Ecology for additional guidance.

## 2.2 Notes on Project Costs

Permittees shall provide project costs at the Class 5 level of estimates as established by the Association for the Advancement of Cost Engineering International ([Inputs\\_RI](#)).

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parcel maps with permittee service areas. Ultimately, it is the applicant's responsibility to describe these data, and their limitations. We recommend including any service maps, Census data, and files/code used in this step with materials submitted to Ecology.

### 3. Ecology Additions and Motivation

The following subsections describe Ecology’s amendments to EPA’s 2023 guidance and online FCA spreadsheet tool (as of 05/2024) in more detail. Note that these amendments are automatically incorporated into the results of Ecology’s FCA spreadsheet tool in tab “Results\_FCA\_ECY” and require no new input or calculation on the permittee’s part beyond what is already required by the EPA’s original tool.

#### 3.1 Use Washington state median household income when calculating financial capabilities indicator instead of the national baseline

Using state information for this calculation is recommended by EPA's 2023 guidance when calculating public sector impacts (see Section 3), and the only substantive statistical difference between "Alternative 1" and "Section 3" results beyond naming conventions and terminology.<sup>13</sup> This is a practically important feature considering that Washington State median household income (\$90,325 in 2022) is 20% higher than the broader US (\$75,149).<sup>14</sup> Here, most communities would generally appear strong against national baselines. However, because of unique state characteristics—chief among them a higher cost of living—results using national baselines may not accurately capture actual local hardship.

Note that despite making this change, Ecology’s spreadsheet tool retains Alternative 1 labeling and references throughout the calculator for consistency with other helpful portions of EPA's guidance, such as robust technical appendices describing Alternative 1 calculations and data sources. **We also emphasize that results, for purpose of the Nutrient Permit, are not intended for schedule negotiation.**

#### 3.2 Use Washington state baselines when calculating Lowest Quintile Poverty Indicator instead of national baselines

The Lowest Quintile Poverty Indicator (LQPI) aids in assessing the severity and prevalence of poverty in the affected community. This weighted index is made up of 6 indicators, which take on a 1, 2, or 3 to describe poverty conditions, mid-range, or strong (good) conditions respectively after comparing the affected community with national averages.

Inputs into the LQPI (other than “Trend in Household Growth”) are evaluated using a  $\pm 25\%$  benchmark to national.<sup>15</sup> This bracketing is a commonly used methodology to characterize

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<sup>13</sup> See Section 1(3)(b) of EPA’s 2023 guidance for additional discussion.

<sup>14</sup> Using 2022 ACS 5-year estimates <https://data.census.gov/table?q=b19013>.

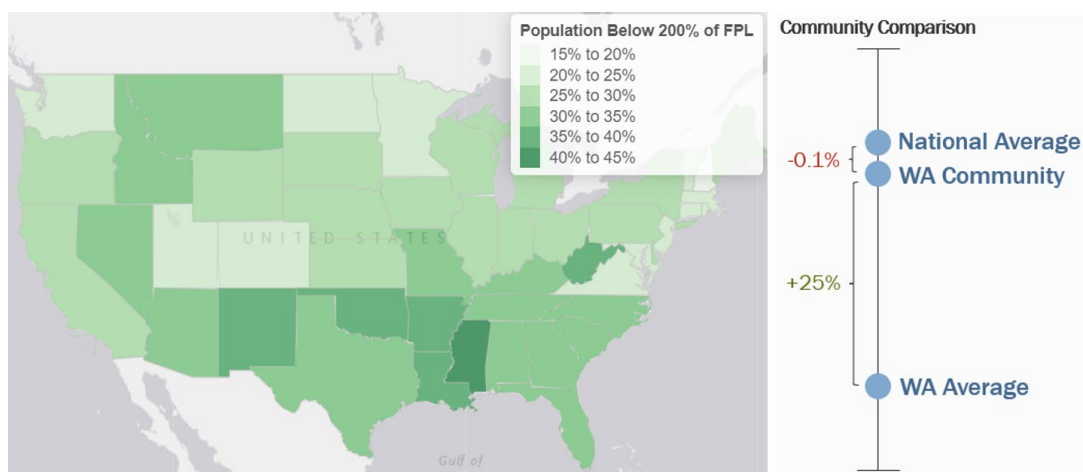
<sup>15</sup> Note that “Trend in Household Growth,” the fifth indicator, is based on 5-year Geometric Average Growth Rates instead of quintiles.  $5\text{ Year Geometric Growth Rate} = (1 + (HH_n - HH_{n-5}) / HH_{n-5})^{1/5} - 1$ ; where  $HH$  is the number of occupied housing units, and  $n$  is most recent Census data year. For example, if a community had 15,500 occupied housing units in the most recent census data year and had 15,000 occupied units five census data years prior, the 5-year average geometric growth rate would be  $0.66\% = (1 + (15,500 - 15,000) / 15,000)^{1/5} - 1$ .

outliers on either end of the data distribution. Using a  $\pm 25\%$  benchmark closely aligns with the middle quintile of data for the parameter, which can characterize the “middle class”.

As with concerns over FCI calculation discussed in section 2.2.1, comparing community indicators in Washington that make up the LQPI to national baselines may misrepresent local hardship. Take again the Percentage of Population with Income Below 200% of the Federal Poverty Level (FPL) as an example indicator. In the US, 28.8% of the population falls below this threshold, while in Washington State that figure is only 23%--or 20% lower than the National average (2022 ACS 5-year estimates).<sup>16</sup>

Now consider a WA city as a service area. For this city, the Census reported 28.9% of its population fell below 200% of FPL in 2022 (ACS 5-year estimate). Since the city reported values that are almost identical to the national average, it would fall into the LQPI’s “mid-range” for at least this indicator using current EPA formula. However, the same value for the same city is 25% higher than Washington’s average. In other words, when compared to statewide peers, this city falls into the LQPI’s “weak” category with respect to higher prevalence of poverty (Figure 1).

Figure 1. Percent of Population Below 200% of FPL and Community Comparison



To accurately capture actual local hardship, and in consultation with the EPA, Ecology’s amended spreadsheet tool calculates LQPI results and associated expanded impacts matrix by automatically applying state baselines.

### 3.3 Present impacts of wastewater treatment with and without project simultaneously

Capturing baseline impacts of wastewater treatment in a community is critical when comparing to the same community with the proposed project(s). Ecology’s spreadsheet tool presents a

<sup>16</sup> Table S1701 (<https://data.census.gov/table/ACSST5Y2022.S1701?q=S1701&g=040XX00US53>). Note that outside of Alaska and Hawaii, federal poverty level is the same for all states.



side-by-side comparison which aids permittees and Ecology understand the marginal burden of permit requirements, and their potential contribution to cumulative burden on ratepayers.

### **3.3 Report project cost in terms of percent of upper limit of lowest quintile income**

While the upper limit of the lowest quintile of income (LQI) is incorporated into results through baseline comparisons in the LQPI, we calculate and report existing and new treatment costs as a percentage of LQI as a standalone statistic. This isolates additional information about impacts beyond median income households, impact disparities when compared with %MHI, and changes in disparity across treatment alternatives.

## 4. Assistance and Funding Sources to Consider

Ecology's water quality financial management section (FMS) provides technical assistance, in coordination with the EPA, Rural Community Assistance Corporation (RCAC), Evergreen Rural Water of Washington (ERWoW), and the Washington State Department of Commerce's Small Communities Initiative (SCI). With a single application to [Water Quality Combined Fund](#), Ecology can identify water quality-related opportunities, and create packages that meet the financial needs of project applicants.<sup>17</sup> This coordinated effort offers a wide variety of resources for supporting communities in accessing funds, and identifying support for managing and implementing infrastructure improvements.<sup>18</sup> Loans and grants administered through the Combined Fund that may be particularly important to the Nutrient Permit holders include:

- [Puget Sound nutrient reduction grants program](#). In the 2021-23 biennial budget, the state Legislature appropriated \$9 million for the to help municipalities prepare and plan for future treatment facility upgrades and implement operational modifications necessary to maximize nutrient removal from existing treatment processes. Ecology is currently working on planning for the next phase of funds. Eligible applicants for funding are the 42 municipalities that operate the 58 wastewater treatment plants that discharge to Puget Sound and are be covered by the permit.<sup>19</sup>
- The Clean Water State Revolving Fund (CWSRF) which provides low-interest and forgivable principal loan funding for wastewater treatment construction projects, eligible nonpoint source pollution control projects, and eligible "green" projects. Established by the federal Clean Water Act (CWA), the CWSRF is funded through an annual EPA capitalization grant, state matching funds, and principal and interest repayments on past program loans.
- Income and need based programs, including the Centennial Clean Water Program that provides wastewater treatment construction projects for financially distressed communities, and [Low Income Household Water Assistance Program](#) administered by the Department of Commerce to supplement utility payments for qualified individuals.<sup>20</sup>

Ecology's water quality financial management section (FMS) provides technical assistance, in coordination with the EPA, Rural Community Assistance Corporation (RCAC), Evergreen Rural Water of Washington (ERWoW), and the Washington State Department of Commerce's Small Communities Initiative (SCI). This coordinated effort offers a wide variety of resources for

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<sup>17</sup> <https://ecology.wa.gov/water-shorelines/water-quality/water-quality-grants-and-loans>

<sup>18</sup> For this permit, technical assistance can be requested by contacting Stephanie Allen (sall461@ecy.wa.gov).

<sup>19</sup> <https://ecology.wa.gov/About-us/Payments-contracts-grants/Grants-loans/Find-a-grant-or-loan/Puget-Sound-Nutrient-Reduction>

<sup>20</sup> <https://www.commerce.wa.gov/growing-the-economy/energy/low-income-home-energy-assistance/lihwap/#:~:text=Washington%20water%20assistance%20is%20provided,in%20imminent%20threat%20of%20disconnection>

supporting communities in accessing CWSRF funding, as well as identifying support for managing and implementing infrastructure improvements using other funding sources.

In addition to State financial assistance, federal technical assistance is also available. These include, but are not limited to:

- [EPA's Environmental Finance Centers](#), which deliver targeted technical assistance to local governments, states, tribes, and non-governmental organizations to protect public health, safeguard the environment, and mitigate environmental justice concerns.<sup>21</sup> The EFCs serve an important role in helping to ensure that communities that have difficulty in securing public funding receive the help they need to access resources to support infrastructure improvements. Requests for technical assistance can be made through [EPA's Water Technical Assistance Program](#) or by emailing [WaterTA@epa.gov](mailto:WaterTA@epa.gov)
- [EPA's Training and Technical Assistance for Small Systems Funding](#) provides technical assistance through national providers via grant funding to support small drinking water and wastewater systems that serve small and rural communities.<sup>22</sup> EPA is committed to helping communities across America upgrade and maintain water infrastructure that is essential to public health and environmental protection.
- [EPA's Environmental Justice Small Grants Program](#), which supports and empowers communities working on solutions to local environmental and public health issues.<sup>23</sup> The program is designed to help communities understand and address exposure to multiple environmental harms and risks.

In no particular order, sources of Federal Water infrastructure funding include but are not limited to:

- Water Finance Clearinghouse: <https://clearinghouse.epa.gov/wfc>
- Water Infrastructure Finance and Innovation Act (WIFIA): <https://www.epa.gov/wifia>
- The Environmental Justice Collaborative Problem-Solving (CPS) Cooperative Agreement Program: <https://www.epa.gov/environmental-justice/environmental-justice-collaborative-problem-solving-cooperative-agreement>
- Source Reduction Assistance (SRA) Grant Program: <https://www.epa.gov/p2/grant-programs-pollution-prevention>
- CoBank's Rural Water and Wastewater Lending: <https://www.cobank.com/corporate/industry/water>

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<sup>21</sup> <https://www.epa.gov/waterfinancecenter/efcn>

<sup>22</sup> <https://www.epa.gov/dwcapacity/training-and-technical-assistance-small-systems-funding>

<sup>23</sup> <https://www.epa.gov/environmentaljustice/environmental-justice-small-grants-program>

- National Rural Water Association (NRWA)'s Rural Water Loan Fund: <https://nrwa.org/members/products-services-portfolio/rural-water-loan-fund/>
- Pisces Foundation Water Grant: <https://piscesfoundation.org/what-we-do/water/>
- U.S. Army Corps of Engineers' Emergency Streambank and Shoreline Protection: <https://www.mvr.usace.army.mil/Business-With-Us/Outreach-Customer-Service/Flood-Risk-Management/Section-14/>
- U.S. Department of Agriculture (USDA)'s Water and Waste Disposal Guaranteed Loan Program: <https://www.rd.usda.gov/programs-services/water-waste-disposal-loan-guarantees>
- USDA's Water & Environmental Programs (WEP): <https://www.rd.usda.gov/programs-services/all-programs/water-environmental-programs>
- USDA's Water & Wastewater Projects Revolving Fund Program: <https://www.rd.usda.gov/programs-services/revolving-funds-for-financing-water-and-wastewater-projects>
- USDA's Water & Waste Disposal Loan & Grant Program: <https://www.rd.usda.gov/programs-services/water-waste-disposal-loan-grant-program>
- USDA's Water & Waste Disposal Predevelopment Planning Grants: <https://www.rd.usda.gov/programs-services/water-waste-disposal-predevelopment-planning-grants>
- U.S. Department of Commerce – Economic Development Administration (EDA)'s Investments for Public Works and Economic Adjustment Assistance Programs: <https://www.eda.gov/programs/eda-programs/>
- EDA's Planning Program and Local Technical Assistance Program: <https://www.eda.gov/funding-opportunities/>
- U.S. Department of Health and Human Services – Indian Health Service (IHS)'s Sanitation Facilities Construction (SFC) Program: <https://www.ihs.gov/dsfc/>
- U.S. Department of Housing and Urban Development (HUD)'s Community Development Block Grant (CDBG) Program: [https://www.hud.gov/program\\_offices/comm\\_planning/communitydevelopment](https://www.hud.gov/program_offices/comm_planning/communitydevelopment)
- HUD's CDBG – Disaster Recovery Program: <https://www.hudexchange.info/programs/cdbg-dr/>
- HUD's Section 108 Loan Guarantee Program: <https://www.hudexchange.info/programs/section-108/>

- U.S. Federal Emergency Management Agency (FEMA)'s Hazard Mitigation Grant Program (HMGP): <https://www.fema.gov/grants/mitigation>
- FEMA's Public Assistance (PA) Grant Program: <https://www.fema.gov/assistance/public>
- FEMA's Pre-Disaster Mitigation (PDM) Grant: <https://www.fema.gov/grants/mitigation/pre-disaster>
- FEMA's Flood Mitigation Assistance Program (FMA): <https://www.fema.gov/grants/mitigation/floods>
- U.S. Small Business Administration (SBA)'s Business Physical Disaster Loans: <https://disasterloan.sba.gov/ela/Information/BusinessPhysicalLoans>

#### Bipartisan Infrastructure Law (BIL) Resources

- Overview BIL: <https://www.epa.gov/infrastructure>
- Closing America's Wastewater Access Gap Community Initiative: <https://www.epa.gov/water-infrastructure/closing-americas-wastewater-access-gap-community-initiative>
- Bipartisan Infrastructure Law SRF Memorandum: <https://www.epa.gov/dwsrf/bipartisan-infrastructure-law-srf-memorandum>
- Frequent Questions about BIL State Revolving Funds: <https://www.epa.gov/dwsrf/frequent-questions-about-bil-state-revolving-funds>
- 2022 Bipartisan Infrastructure Law Clean Water and Drinking Water State Revolving Funds: <https://www.epa.gov/infrastructure/2022-bipartisan-infrastructure-law-clean-water-and-drinking-water-state-revolving>

#### Compendiums and Documents on Rating Setting and Customer Assistance Programs (CAPs)

- Drinking Water and Wastewater Utility Customer Assistance Programs: <https://www.epa.gov/waterfinancecenter/compendium-drinking-water-and-wastewater-customer-assistance-programs>
- Water Infrastructure Financial Leadership: <https://www.epa.gov/waterfinancecenter/water-infrastructure-financial-leadership>