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Chapter 3 State and Federal Funding Options

New York State Water and Sewer Co-funding Initiative

Overview

The provision of adequate water and wastewater infrastructure is critical for public health, environmental protection and for economically viable communities. Implementing a new system or modifying existing facilities is a huge undertaking for local government that will involve a significant financial investment. Under the direction of Governor George Pataki, and in response to the recommendations of the Lt. Governor's Quality Communities Interagency Task Force Report, the NYS Water and Sewer Infrastructure Co-Funding Initiative was created.

This initiative is designed to provide assistance to communities in the development of a funding package that will permit the infrastructure project to move forward toward implementation. Specifically, the Co-funding Initiative works to improve the efficiency of the infrastructure funding process by providing a single point of contact for information. In addition, the Initiative is providing for coordinated multi-agency consideration of the financing needs of municipal infrastructure projects. All of these efforts are aimed at increasing the level of service to communities and optimizing the use of state and federal financial resources.

The Co-funding Initiative was introduced in the spring of 2002, and a Memorandum of Understanding (MOU) that formalizes this multi-agency initiative was signed in 2003. Those signing the MOU are: the Environmental Facilities Corporation, the Department of Environmental Conservation, the Department of Health; USDA Rural Development, the Governor's Office for Small Cities, and the Department of State.

As applicable situations arise, other financial assistance programs are brought into the project discussions as part of the co-funding process. The NYS Energy Research and Development Authority (NYSERDA) can provide grant funding for energy related research, and also provides rebates on certain energy saving equipment and systems that are part of the project. The Oil Spill Fund, administered by the Office of the State Comptroller, can provide grant funds in situations where environmental damage associated with an oil spill results in additional project cost to the municipality. Where projects are primarily associated with economic development, the Co-funding Initiative can facilitate discussions with Empire State Development and the US Department of Commerce Economic Development Administration.

A principal goal of the Co-funding Initiative is to offer a single point of contact for communities to learn more about applicable state and federal funding programs that may provide needed financial assistance. This single contact is the Co-funding Coordinator, who can be reached by email at coordinator@nycofunding.org or by calling 1-800-882-9721. Additional information is also available on the internet at www.nycofunding.org.

Although the Co-funding Initiative provides a means to increase the cooperation and communication among the various agencies, each program retains its individual eligibility criteria and program goals. Each of the programs currently involved in the New York State Co-funding Initiative are discussed in greater detail in subsequent sections of this handbook.

New York State Environmental Facilities Corporation (NYSEFC)

Overview

The New York State Environmental Facilities Corporation (NYSEFC) is a public benefit corporation created by the New York State Legislature in 1970. The NYSEFC administers a number of federal and state funded programs aimed primarily at maintaining and improving water quality and protecting public health within New York State. The two largest programs that NYSEFC co-administers are the Clean Water and Drinking Water State Revolving Loan Funds (CWSRF and DWSRF).

The CWSRF was created in July 1989 and the first CWSRF bonds were sold by NYSEFC in May 1990. Federal legislation established the DWSRF in August 1996. Since creation of these two SRF programs, the NYSEFC has issued approximately \$10 billion in SRF bonds to provide proceeds to New York State municipal entities for water and sewer infrastructure.

In 1993, the first CWSRF loans were closed with communities using multiple funding sources and the use of co-funding has continued to increase since that time. The NYSEFC serves as the focal point of the Co-funding Initiative and houses the Co-funding Coordinator for the Initiative.

In addition to administering loan and grant funds through the CWSRF and DWSRF and providing for the coordination of the Co-funding Initiative, the NYSEFC, through its Community Assistance Program, provides direct technical assistance and project development services to municipalities. These assistance services are configured to provide guidance to small, rural municipalities as they proceed through project planning, scheduling and the application processes of various applicable funding programs.

Clean Water State Revolving Fund (CWSRF) and the Community Assistance Program

Types of Assistance

The CWSRF provides low cost, subsidized interest rate long-term financing for the planning, design and construction of facilities that protect, maintain or improve the quality of New York State waters. Interest-free short term loans can be made available to assist in financing design and construction until such time as the project's long-term costs are clearly identified and long-term financing can be closed. In certain instances, where the proposed project will result in an extreme financial burden on the users of the facilities, the program can provide interest-free long-term loans (referred to as hardship loans).

To assist small, rural communities navigate the intricacies of the CWSRF loan program; the Environmental Facilities Corporation (EFC) offers the services of a group of highly experienced staff members. These individuals, members of the Community Assistance Program, are available to work closely with elected officials and interested members of the public to help identify, organize and schedule appropriate tasks needed to pull the project together and apply for project funding.

Eligibility

Loan recipients, except for financing being sought for land acquisition, must be municipal. Land acquisition financing may be by municipalities or by not-for-profit organizations. Specific portions of projects may not be eligible for SRF financing. This determination can only be made following a detailed review of the project's engineering report and/or design documents.

Eligibility for a hardship loan is determined through a separate application process. Specific information on the project and service area of the project is requested by EFC for this application and analysis.

Eligibility for financing with the CWSRF is dependent on the numerical score the project receives in accordance with the water quality based scoring system contained in the NYSDEC program regulations (6 NYCRR Part 649). A project must receive a score high enough to place it above any funding line established in the current Intended Use Plan (IUP). More information related to program eligibility is available by contacting the Environmental Finance Center (EFC).

Program Use

Loan proceeds may be used to pay for any eligible expenses associated with the following types of projects:

1. Treatment works projects (referred to as Section 212 projects). This category includes projects such as sewers, treatment facilities, combined sewer overflow (CSO) abatement, sludge treatment facilities and sewer rehabilitation.
2. Non-point source pollution control projects (referred to as Section 319 projects), such as capping and closing of municipal landfills, remediation of contamination from leaking storage tanks, highway de-icing materials storage, stream bank stabilization, land acquisition or conservation easements for water quality protection and decentralized wastewater systems.
3. Estuary Conservation and Management Plans and Projects (referred to as Section 320 projects) that implement specific US EPA-approved plans.

Short-term loans are interest-free and are closed for an amount equal to approximately one-half of the eligible project costs. Normal long-term loans are closed for an interest rate equal to one-half of the interest rate of the most recent EFC bond sale. Long-term hardship loans can be made at an interest rate as low as zero per cent. Short term loans are for a maximum term of three years. Long-term loans are made for a 20-year term but could have a term of up to a maximum of 30 years.

The services of the Community Assistance Program are available to any municipality that is pursuing a project eligible for CWSRF financing. The level to which the Community Assistance staff members become involved is entirely dependent on the desire of the community and the status of the project development related to funding agency requirements.

Application Procedure

Application procedures and materials are available from EFC by using the contact information provided below. As stated previously, the availability of financing is dependent on the numerical score the project receives and where that score places the project in relation to any funding line. The scoring process begins with the submission of a project listing form. This is a short form that provides basic information related to the project purpose, estimated cost and estimated implementation schedule. The listing form can also be obtained using the contact information provided.

There is no application procedure associated with obtaining help from the Community Assistance Program for your project. Simply contact the Community Assistance Program using the contact information listed below.

Where to Apply

NYS Environmental Facilities Corporation

625 Broadway

Albany, NY

12207-2997

Phone: 1-800-882-9721 or 518-402-7438

Fax: 518-402-7456

Website: www.nysefc.org

United States Department of Agriculture (USDA)

Overview

The mission of USDA Rural Development is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture of capital entity, Rural Development provides equity and technical assistance to finance and foster growth in home ownership, business development, and critical community and technology infrastructure.

Water and Wastewater Disposal Loan and Grant Program

Water and waste disposal services have been taken for granted in American cities since at least the 1920's. But if you lived in a rural area only 60 years ago, chances are you went without these necessities of modern life and the high standard of living they make possible.

Modern utilities came to rural America through some of the most successful government initiatives in American history, carried out through the United States Department of Agriculture (USDA) working with rural cooperatives, nonprofit associations, public bodies, and for-profit utilities. Today, USDA Rural Development Utilities Programs carries on this tradition helping rural utilities to expand and to keep their technology up to date, and helping to establish new and vital services such as distance learning and telemedicine.

The public-private partnership which is forged between Rural Development Utilities Programs and these industries results in billions of dollars in rural infrastructure development and creates thousands of jobs for the American economy.

Please visit the national website at <http://www.usda.gov/rus/> for information concerning all of our programs.

Program Description

The program provides loans and grants to water and wastewater facilities, and services to low-income rural communities whose residents face significant health risks with service area populations up to 10,000.

Funding Type

The program provides loan terms up to 40 years. The interest rate is indexed to the Median Household Income of the service area. Minimum "Poverty Rate" is 4.5 percent. The "Market and Intermediate" rates vary as per the Federal Financing Bank Rate every three months.

Eligibility

Provide loan and grant funds to water and wastewater projects serving the most financially needy communities. Financial assistance should result in reasonable user costs for rural residents.

Eligibility Assessment

Competition is intense. Applications far exceed available funds.

Community Facilities Program

Program Description

Community facilities, such as public safety buildings, schools, libraries, museums, day care centers, health care clinics, and fire and rescue support services, are all essential to the quality of life in rural America. USDA Rural Development's Community Facilities Program offers financial assistance to help communities provide vital services and amenities for their residents and visitors.

Funding Usage

Funding is used to construct, enlarge, or renovate facilities for health care, public safety, and public services. It is also used to acquire land needed for a facility, pay necessary professional fees, and purchase equipment required for a facility's operation.

Eligibility

Grants, loans, and loan guarantees are available to public bodies, such as municipalities, counties, special purpose districts, non-profit corporations and tribal governments. Applicants must be in rural areas and towns of up to 20,000 in population.

Terms

The maximum term for all loans is 40 years. However, the repayment period is limited to the useful life of the facility or any statutory limitation on the applicant's borrowing authority. Interest rates for direct loans vary depending upon the median household income of the community.

Eligibility

Grants are authorized on a graduated scale. Priority is given to applicants located in less populated rural communities with low median household incomes. The MHI is either below the poverty line or below 90% of the State metropolitan MHI (whichever is higher). A grant may be used in combination with other financial assistance, such as a direct or guaranteed loan, applicant contribution, or loans and grants from other sources. Typical grant size is \$25,000.

Security Required

Bonds, Notes, Mortgages

Application Procedure

Pre-determination/applications are accepted throughout the fiscal year. Contact Rural Development local offices (see following list) for your pre-eligibility/pre-determination packet.

Scott Collins, Acting State Director

The Galleries of Syracuse

441 S. Salina St., Suite 357

Syracuse, New York 13202

Syracuse Staff

David A. Miller, PE, Community Programs Director
Environmental Coordinator
Phone: 315-477-6427
Fax: 315-477-6448

Gail Giannotta, CF Specialist – 315-477-6429
Dolores Weichert, CP Technician – 315-477-6434
Michael Bosak, State Architect – 315-477-6421
Madeline Crowe, Environmental Protection Specialist –
315-477-6432
Marcy Newman, State Engineer – 315-782-7289, ext. 117

Rural Development Local Servicing Offices***Eastern Region:***

Ronda Falkena, Area Director – 845-987-8111
*Orange, Bronx, Putnam, Sullivan, Dutchess, Queens, Ulster,
Kings, Richmond, Westchester, Nassau, Rockland, New York,
Suffolk Counties:*
George Popp, RD Manager
Suite 104, 1st Floor
225 Dolson Avenue
Middletown, NY 10940-6569
Phone: 845-343-1872, ext. 4

Clinton, Essex, Franklin Counties:

Rob Ivy, RD Manager
6064 Route 22, Suite 3
Plattsburgh, NY 12901-9601
Phone: 518-561-4616, ext. 4

***Washington, Saratoga, Columbia, Hamilton,
Rensselaer, Warren Counties:***

Gretchen Pinkel, RD Manager
2530 State Route 40
Greenwich, NY 12834-9627
Phone: 518-692-9940, ext. 4

***Fulton, Albany, Greene, Montgomery,
Otsego, Schenectady, Schoharie Counties:***

Patricia Snover, RD Manager
113 Hales Mills Road
Johnstown, NY 12095-3741
Phone: 518-762-0077, ext. 4

Oneida, Herkimer, Madison Counties:

Kathleen Goodman, RD Manager
9025 River Road
Marcy, NY 13403-2301
Phone: 315-736-3316, ext. 4

Broome, Chenango, Cortland, Delaware, Tioga Counties:

Barbara Thompson, RD Manager,
1163 Upper Front Street
Binghamton, NY 13905-1117
Phone: 607-723-1384, ext. 5

Western Region:

Katherine McCoy, Area Director – 607-835-6580

Genesee, Monroe, Niagara, Orleans, Wyoming Counties:

James Walfrand, RD Manager
29 Liberty Street, Suite 2
Batavia, NY 14020-3294
Phone: 585-343-9167, ext. 2200

Steuben, Allegany, Livingston Counties:

Margaret Evaneck, RD Manager
415 W. Morris Street
Bath, NY 14810-1038
Phone: 607-776-7398, ext. 4

Ontario, Wayne, Yates Counties:

Michaela Sergeant, RD Manager
3037 County Road 10
Canandaigua, NY 14424-8007
Phone: 585-394-0525, ext. 4

Tompkins, Chemung, Schuyler, Seneca Counties:

Margaret West, RD Manager
903 Hanshaw Road, Suite 2
Ithaca, NY 14850-1530
Phone: 607-257-2737, ext. 4

Onondaga, Cayuga, Oswego Counties:

Brenda Smith, RD Manager
2571 US Route 11, Suite 4
Lafayette, NY 13084-9641
Phone: 315-677-3552, ext. 4

St. Lawrence County:

Brian Murray, RD Manager
1942 Old Dekalb Road
Canton, NY 13617
Phone: 315-386-2401, ext. 4

Cattaraugus, Chautauqua, Erie Counties:

Darla Granger, RD Manager
8 Martha Street
PO Box 776
Ellicottville, NY 14731-0776
Phone: 716-699-2375, ext. 4

Jefferson and Lewis Counties:

Carol McDonald, RD Manager
21168 NYS Route 232
PO Box 838
Watertown, NY 13601-0838
Phone: 315-782-7289, ext. 4

Appalachian Regional Commission

Overview

The Appalachian Regional Commission (ARC) was established by the Federal Appalachian Regional Development Act of 1965 to improve the economy and quality of life in the 13-state Appalachian region. ARC provides financial and technical assistance to the region in meeting its special problems, to promote its economic development, and to establish a framework for joint federal-state-local efforts toward providing the basic facilities essential to its growth, attacking its common problems and meeting its common needs on a coordinated and concerted regional basis.

New York State is one of the 13 states in the federally-defined Appalachian region that includes all of West Virginia, and parts of Pennsylvania, Ohio, Maryland, Virginia, Kentucky, North Carolina, South Carolina, Tennessee, Georgia, Alabama and Mississippi. The governors of the 13 Appalachian states and the federal co-chairman appointed by the US President comprise the Commission. A state co-chairman, elected from among the governors, is rotated among the states, and an executive director heads the Commission's staff.

The Governor of New York State is a member of the Commission with the Secretary of State serving as his Alternate. The Department of State (DOS) is the official agent of the State of New York responsible for administering the Appalachian Program in New York State. As the official representative of New York, DOS cooperates with the federal government and other Appalachian states in administering the provisions of the Appalachian Regional Development Act. DOS sets funding priorities and prepares an Appalachian Development Plan for the State.

ARC is a unique partnership of federal, state and local governments. To assist local planning and to ensure that ARC funds are used to serve communities, the Commission's member-states work with area-wide planning and development agencies called Local Development Districts (LDD's). Each LDD has a professional staff and a board consisting of elected officials and public representatives of several counties. Both work with citizens to assess local needs and prepare local development plans based on those needs.

Area Development Program

Under the Area Development Program, the Appalachian states are responsible for recommending local and state projects within their borders that will receive assistance. Each federal fiscal year New York State submits an annual Investment Package to ARC, including projects that are proposed for funding with Area Development resources that year.

ARC's Strategic Plan 2005-2010 guides investment of Area Development Program funds. This plan details four general goals, the last (Goal 4) being the "Building of the Appalachian Development Highway System to Reduce Appalachia's Isolation." While New York State recognizes this as a crucial goal, projects involving actual highway construction are funded and administered by other federal and state agencies. Therefore, all projects must implement one of the first three ARC General Goals identified below.

- Goal 1: Increase job opportunities and per capita income in Appalachia to reach parity with the nation.
- Goal 2: Strengthen the capacity of the people of Appalachia to compete in the global economy.
- Goal 3: Develop and improve Appalachia's infrastructure to make the region economically competitive.

Types of Assistance

In New York State, there is a cap on ARC grant assistance of \$150,000, which cannot exceed 50% of the total project cost.

Eligibility

The federally defined Appalachian portion of New York State (“Appalachian New York”) contains the following fourteen counties: Chautauqua, Cattaraugus, Allegany, Steuben, Schuyler, Chemung, Tompkins, Tioga, Cortland, Broome, Chenango, Otsego, Delaware, and Schoharie. Any municipality, governmental entity or non-profit entity that is public or private that serves the Appalachian New York area is eligible for Area Development Program funds.

Program Use

New York State has established objectives and strategies for use of Commission funds under each of the three general goals. These strategies provide the key state policy framework for investment of ARC resources in Appalachian New York. All project proposals must implement one of the State strategies developed for Area Development resources. The following are the project activities that are eligible for ARC funding:

Goal 1

- Technical assistance promoting leadership development
- Training that strengthens the skills of local government officials and/or civic leaders
- Local government assistance demonstrations
- Business development and assistance
- Entrepreneurial and managerial skills training
- Education and training developed to stimulate entrepreneurship
- Development of formal and informal networks of professional and trade service providers
- Identification of initial debt and equity capital for new businesses
- Business development
- Asset-based that integrate conservation and economic development
- Promotion of increased international business activity that embraces both new domestic and global opportunities
- Information technology

Goal 2

- Promotion of leadership development, civic involvement and community improvement
- Workforce training
- Child care programs
- Basic skills for adults
- College preparation
- Educational excellence
- Rural health developing or expanding licensed primary health care (including dental)
- Rural health promoting rural health professional recruitment and retention
- Health and wellness

Goal 3

- Infrastructure related strategic development and technical assistance
- Development and improvement of water and wastewater systems supporting job creation or retention
- Development and improvement of water and wastewater systems addressing fully documented critical health/safety needs in distressed areas “pockets of poverty” (as defined by ARC)
- Telecommunications including telemedicine and telehealth
- Infrastructure promoting the responsible stewardship and use of natural assets and the development of environmentally sensitive industries
- Infrastructure assisting the development and rehabilitation of industrial/business sites and business incubators encouraging the creation of new enterprises and the expansion of existing businesses
- Intermodal transportation strategies

Application Procedure

Applications are solicited on an annual basis, generally in June, and must be received by the appropriate LDD. The LDDs assist DOS, work with project applicants, and prepare a recommended annual priority list of projects for consideration by the State, generally at the end of August. DOS will recommend an official New York State Appalachian Regional Investment Package for each fiscal year to the Governor for his transmission to the Appalachian Regional Commission, generally in December. Project sponsors can anticipate ARC project approvals after April of the following year. A project cannot begin nor can budget items in the ARC budget be expended prior to ARC approval.

Where to Apply

The first point of contact for potential project sponsors and the agency to which applications are submitted is the Local Development District that serves the project’s proposed service area. The LDDs and the respective counties they serve are as follows:

Allegany, Cattaraugus, and Chautauqua Counties:

Southern Tier West Regional Planning and Development Board

4039 Route 219, Suite 200

Salamanca, New York 14779

Phone: 716-945-5301

Fax: 716-945-5550

www.southerntierwest.org

Executive Director – Donald R. Rychnowski

Program Contact – Ginger G. Malak

Email: gmalak@southerntierwest.org

Chemung, Schuyler, and Steuben Counties:

Southern Tier Central Regional Planning and Development Board

145 Village Square

Painted Post, New York 14870

Phone: 607-962-5092

Fax: 607-962-3400

www.stcrpdb.dst.ny.us

Executive Director – Marcia D. Weber

Program Contact – Thomas McGarry

Email: tmcgarry@stny.rr.com

Broome, Chenango, Cortland, Delaware, Otsego, Schoharie, Tioga, and Tompkins Counties

Southern Tier East Regional Planning Development Board

375 State Street

Binghamton, New York 13901

Phone: 607-724-1327

Fax: 607-724-1194

www.steny.org

Director – Robert A. Augenstern

Program Contact – Lynn Cebula

Email: lcebula@steny.org

ARC General Information, contact:

Kyle Wilber, ARC Program Director

New York State Department of State

Division of Local Government

41 State Street

Albany, New York 12231

Phone: 518-473-3694

Fax: 518-474-6572

Other Assistance

ARC requires a state or federal agency to serve as the “Basic Agency” to administer ARC funds for all construction projects. To keep costs down for the administration of ARC funds, ARC has agreements with other federal and state agencies for ARC fund administration. There are no additional administration requirements, only that of the Basic Agency. Only those agencies designated by ARC may serve as basic agencies. These agencies also provide technical assistance and project monitoring to DOS, ARC, and the LDDs. In New York State, the following agencies assist DOS:

- The Governor’s Office for Small Cities
- US Department of Agriculture, Rural Development
- US Department of Commerce, Economic Development Administration
- US Department of Housing and Urban Development
- US Department of Education

Other state agencies also provide assistance to DOS. The Department of Transportation is responsible for administering the Appalachian Highway Program in New York State, as well as advising on access road funding and other transportation projects. The Department of Health, Department of Economic Development, Environmental Facilities Corporation, State Education Department, and other state agencies also provide technical assistance as needed.

New York State Energy Research Development Authority (NYSERDA)

Overview

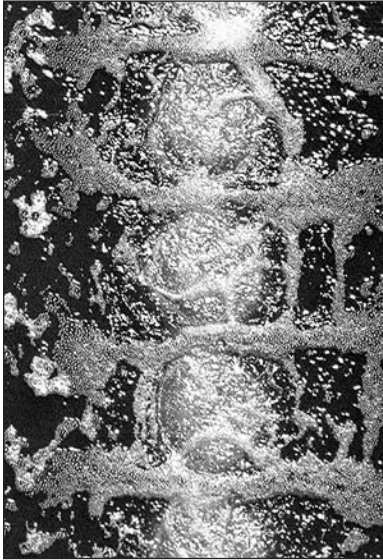
The New York State Energy Research and Development Authority (NYSERDA) is a public benefit corporation created in 1975 by the New York State Legislature.

NYSERDA administers the **New York Energy SmartSM** program, designed to support certain public benefit programs during the transition to a more competitive electricity market. Some 40 programs are funded by a charge on the electricity transmitted and distributed by the State's investor-owned utilities. **The New York Energy SmartSM** program provides energy efficiency services across New York State's residential and business sectors. NYSEERDA also promotes research and development, and environmental protection activities.

Basic research revenues are derived from an assessment on the intrastate sales of New York State's investor-owned electric and gas utilities, and voluntary annual contributions by the New York Power Authority and the Long Island Power Authority. Additional research dollars come from limited corporate funds.

With rising infrastructure demands and decreasing resources, municipalities are continuously looking for cost-saving measures, particularly with respect to operating costs. Many of the water and wastewater treatment plants in New York State are experiencing unnecessarily high operating costs due to overloading, failing equipment, lack of process-control instrumentation, and operating problems. These conditions often result in excessive energy use.

To help solve these problems, NYSEERDA offers municipalities cost-sharing opportunities for energy studies, capital incentives for the installation of energy-efficient equipment and processes, and research and demonstration programs for innovative technologies. These opportunities are designed to assist the municipality in making sound energy decisions about their processes and equipment, thereby reducing their utility bills.



Fine bubble systems are very energy efficient.

Technical Assistance Programs

FlexTech Services

This program allows facilities to use one of NYSEERDA's 36 pre-selected engineering firms (FlexTech Contractors) to provide customized technical assistance. Projects are cost-shared by NYSEERDA on a 50:50 basis. A municipality and NYSEERDA each pay the FlexTech contractor 50% of the study cost, and NYSEERDA can provide up to \$50,000 per project.

Technical Assistance Program

This program allows a facility manager to choose its own third party engineering firm for the purpose of developing and delivering customized technical assistance. Selected projects are cost shared by NYSEERDA on a 50:50 basis. A municipality is reimbursed by NYSEERDA 50% of the study costs, up to \$50,000 upon approval of the final report.

Implementation Examples

Examples of projects for both programs include, but are not limited to, the following:

- **Energy Feasibility Studies** identify energy-efficient capital improvements include, but are not limited to, motor replacement and sizing, use of variable speed drives, pump station upgrades, lighting, and HVAC upgrades, etc.
- **Process Efficiency Studies** are designed to help a facility meet changing effluent quality requirements, eliminate capacity constraints, or just improve overall energy efficiency. These studies tend to focus on energy efficiency rather than conservation. Recommended changes may include equipment upgrades or operational changes.
- **Long-Term Energy Management** studies review the condition of the existing equipment and facilities, and identify ways to make them more efficient. Efficiency measures are generally prioritized based on expected life of the existing equipment and the savings associated with the change. These studies are useful for long-term planning.
- **Combined Heat and Power and Renewable Generation** studies determine the site-specific technical and economic feasibility of installing combined heat and power or electricity generation capacity. These systems can be fueled by renewable resources such as biogas from digesters at wastewater treatment plants. Studies determine site-load match, sizing, standby costs, interconnect requirements, maintenance requirements and costs, simple payback, etc.

Eligibility

All New York State municipal water and wastewater facilities are eligible with the exception of those who receive electrical energy from the New York Power Authority (NYPA) or the Long Island Power Authority (LIPA).

How to Apply

Municipalities interested in FlexTech Services should contact NYSERDA. Staff is available to evaluate potential projects, assist with consultant selection, arrange for site visits, and coordinate project scopes of work. Referral forms are available at www.nyserda.org/programs/Technical_Assistance/FlexTech.asp

Technical Assistance

Copies of the program and applications can be downloaded from NYSERDA's website at www.nyserda.org. Copies are also available by calling 1-866-NYSERDA, by faxing NYSERDA at fax (518) 862-1091 or e-mail: info@nyserda.org.

Contact

NYSERDA

17 Columbia Circle
Albany, NY 12203-6399
Phone: 1-866-NYSERDA
Local Phone: 518-862-1090
Fax: 518-862-1091
www.nyserda.org

Smart Equipment Choices Program

Types of Assistance

This program is designed for simple equipment upgrades. Larger or more complex projects should investigate the Commercial Industrial Program. The Smart Equipment Choices Program offers cash back incentives for the installation of qualified premium efficiency electrical equipment including, but not limited to, motors, variable speed drives, lighting and controls, and HVAC equipment. Facilities may receive up to \$10,000 in incentives through this program per program year.

Eligibility

To be eligible, a municipality must be an electrical distribution customer served by one of the following electric utility companies and pay into the System Benefits Charge (SBC) program: Central Hudson, Con Edison, NYSEG, National Grid, Orange and Rockland, and Rochester Gas and Electric.

Implementation Examples

Motors are major energy users. A motor running at a typical water and wastewater treatment plant for 4,000 hours a year has an annual electricity cost of about 10 times its capital cost.

Motors consume a large amount of energy, so even modest efficiency gains can deliver substantial savings. A typical 100 HP motor at full load with continuous operation 24 hours a day seven days a week, costs \$70,000 per year to operate. For a nominal incremental cost, using a NEMA™ Premium Efficiency motor will save the municipality approximately \$1,400 per year at an electric rate of \$0.10 per kWh.

Qualified 100 HP motors are eligible for an incentive of over \$300. A variable speed drive (VSD) on the same motor would be eligible for an incentive of \$1,500.

How to Apply

The program provides a complete list of eligible equipment and the incentives available. Information about the program and application copies can be downloaded from NYSERDA's website at www.nyserderda.org. Copies are also available by calling 1-866-NYSERDA, by faxing NYSERDA at fax (518) 862-1091 or e-mail: info@nyserderda.org.

Contact

NYSERDA

17 Columbia Circle

Albany, NY 12203-6399

Phone: 1-866-NYSERDA

Local Phone: 518-862-1090

Fax: 518-862-1091

www.nyserderda.org

Commercial and Industrial Performance Program

Types of Assistance

This program is designed for larger projects than would be appropriate for Smart Equipment Choices. Financial incentives are paid on a performance basis to contractors implementing cost-effective electrical efficiency improvements. For most projects, the NYSERDA incentives are equal to one year of annual energy cost savings and average approximately 20% of project cost.

Incentives are calculated based on the difference between the existing and the upgraded electrical energy use. Annual electrical energy savings (kWh) is multiplied by the NYSERDA incentive. For most measures, an incentive of \$0.10/kWh is used. The maximum NYSERDA incentive is \$400,000. The agreement is between NYSERDA and a third party, typically an Energy Services Company or the design engineering firm. The contract between the municipality and the third party can be performance based or a traditional fee-for-service contract. NYSERDA incentive payments are made to the third party. The amount of incentive passed through to the municipality is negotiable between the third party and the municipality.

Eligibility

To be eligible, the municipality must be electrical distribution customers served by one of the following electric utility companies and pay into the System Benefits Charge (SBC) program: Central Hudson, Con Edison, NYSEG, National Grid, Orange and Rockland, and Rochester Gas and Electric.

Assistance Examples

Typical projects include, but are not limited to upgrades to pumping systems, the addition of variable speed drives, use of premium efficiency motors, or changes in treatment process such as upgrading from mechanical mixers to fine bubble aeration. The incentives are based on kWh savings, but projects which improve overall water quality per unit energy may also be eligible.

How to Apply

Copies of the program and applications can be downloaded from NYSERDA's website at www.nyserda.org. Copies are also available by calling 1-866-NYSERDA, by faxing NYSERDA at fax (518) 862-1091 or e-mail: info@nyserda.org.

Contact

NYSERDA

17 Columbia Circle
Albany, NY 12203-6399
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Municipal Water and Wastewater Treatment Plant Program Assistance

Types of Assistance

The Municipal Water and Wastewater Technologies is a competitive program. Proposals are developed and submitted for review by municipalities or their Contractors. Projects must develop, demonstrate, or increase the use of innovative or underutilized energy-efficient water and wastewater technologies in New York State. Selected projects must show quantifiable energy, environmental, and/or economic benefits for a New York State municipal wastewater treatment plant (WWTP) or water treatment plant (WTP), and show opportunities for replication at other New York State municipal treatment plants. For product development projects, the proposal must also emphasize near-term application of the technology and/or show economic benefits to New York State in the form of creation or retention of jobs in New York State.

All proposals must be cost shared. A minimum of 50 percent cost-sharing is required for proposals requesting NYSERDA investment in product development. A minimum of 25 percent cost-sharing is required for all other projects. NYSERDA typically makes multiple awards up to \$250,000 per project.

Eligibility

All New York State municipal water and wastewater treatment plants are eligible.

Implementation Examples

Successful proposals have included demonstration and pilot projects evaluating the effectiveness of course mono-media filtration, demonstration of UV disinfection at a secondary wastewater treatment plant, partnering to support development of UV disinfection reactor validation center, pilot testing of innovative biological nutrient removal processes, demonstration of software to control system pumping, piloting of innovative membrane bioreactor process, and others.

How to Apply

This program has been released annually. When soliciting proposals, the program is posted on NYSERDA's website at www.nyserda.org. To receive a Program Announcement by mail, e-mail: info@nyserda.org or call 1-866-NYSERDA.

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