

**Water Pollution Control Loan Program
(WPCLP)**

2026 Intended Use Plan

July 10, 2025



Illinois EPA

Bureau of Water

Infrastructure Financial Assistance Section

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I. Introduction

The Illinois Environmental Protection Agency (Illinois EPA or Agency) was created on July 1, 1970, by combining the State Sanitation Board and parts of the Illinois Department of Public Health. Illinois EPA's central office is in Springfield, and seven regional offices and one laboratory manage the Agency's various programs.

The Director of Illinois EPA is appointed by the Governor and serves as a Cabinet Member. Illinois EPA establishes and enforces standards for air, water, waste management, and cleanup of sites contaminated with hazardous substances. The 2026 Water Pollution Control Loan Program (WPCLP) Intended Use Plan (2026 IUP) describes how the Illinois EPA proposes to prioritize projects, distribute funds, and administer the WPCLP during State Fiscal Year (SFY), July 1, 2025, through June 30, 2026.

A. Public Participation

The Draft 2026 IUP was released for public review on May 28, 2025, thus beginning the 30-day public comment period. The last day to submit public comments will be June 27, 2025. The Draft 2026 IUP notice was placed on Illinois EPA's general notice website [State Revolving Fund Postings \(illinois.gov\)](https://www.illinois.gov/state-revolving-fund-postings) and each of the identified stakeholders of the Clean Water State Revolving Fund (SRF) program were also notified by e-mail. The Agency expanded its outreach for comment on the IUP this year by also e-mailing additional special interest groups, consulting engineers, professional agencies/associations, and other funding agencies that either expressed an interest in, or are familiar with, the SRF loan programs. The notice directed potential commenters to Barb Lieberoff, Office of Community Relations as the Agency contact for receiving comments and questions pertaining to the Draft 2026 IUP.

B. Benefits of the Water Pollution Control Loan Program (WPCLP)

The WPCLP is designed to operate in perpetuity to provide low-interest rate loans and other forms of assistance for water resource protection and improvement projects. Using the WPCLP to fund water resource protection and improvement projects has many advantages, including:

- 1) Below-market rates provide significant cost savings.
- 2) Although the WPCLP must follow certain federal and State requirements, overall, it is a state program. As the program is administered by State personnel, application and funding requirements have been streamlined to ensure clarity and efficiency for the applicant.
- 3) The WPCLP, through its various project review and approval procedures, is more than just a funding program. It helps provide applicants greater assurance that their projects will be economically sound, technically appropriate, and environmentally effective.
- 4) The WPCLP must provide additional subsidy to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants. Illinois EPA has historically offered a reduction to the amount of principal that an applicant would otherwise need to repay for its project called "principal forgiveness," per federal statute. Although the name is different, in practical application, principal forgiveness functions much like a grant *i.e.*, the eligible capital costs of the

project are reduced by the principal forgiveness amount, thereby eliminating a portion of the principal (and interest) that the borrower must repay. By providing principal forgiveness instead of a grant the loan recipients avoid duplicative application requirements/processes, preparation and execution of separate funding agreements and additional federal monitoring and reporting requirements both during and after completion of the project.

- 5) The WPCLP can benefit small and economically disadvantaged communities throughout Illinois by not only providing a thorough review of the technical and financial viability of their projects, but also offering principal forgiveness and reduced interest rates where applicable.

II. Goals for the WPCLP

A. Short-Term Goals

- 1) As a result of the federal Infrastructure Investment and Jobs Act, commonly referred to as the Bipartisan Infrastructure Law (BIL), Illinois EPA will be applying for the FFY25 “BIL CWSRF General Supplemental” capitalization grants. The FFY25 BIL supplemental CWSRF grant of \$111,415,000 will be applied for in conjunction with the “base CWSRF” capitalization grant of \$71,753,000 and the funds will be included in the Water Pollution Control Loan Program in FY2026. Illinois EPA will be required to provide a state match equal to 20% or \$22,283,000 of the BIL CWSRF General Supplemental grant in addition to 20% or \$14,350,600 of the base CWSRF grant. Forty-nine percent of the BIL supplemental CWSRF grant must be provided as additional subsidy, more commonly referred to as principal forgiveness. Section 603(i) of the Clean Water Act requires states to provide a minimum of 10% (7,175,300) and a maximum of 30% (\$21,525,900) of its annual available Capitalization Grant funds (\$71,753,000) to provide subsidization, in the form of principal forgiveness, for loan recipients which meet the affordability criteria established by the State. Details regarding the source of the state match and principal forgiveness parameters are discussed below within this document.
- 2) As a result of BIL, Illinois EPA anticipates receiving BIL CWSRF emerging contaminant funding over a five-year period to assist eligible applicants with addressing emerging contaminants. More information on the BIL CWSRF emerging contaminant capitalization grant is within the Bipartisan Infrastructure Law (BIL) Funding section below and within Appendix B. So far, all the BIL CWSRF Emerging Contaminant funding has been transferred over to the Public Water Supply Loan Program (PWSLP).
- 3) Provide funding to as many eligible projects as possible, to the extent that the requirements for obtaining funding are satisfied and funds are available.
- 4) Focus financial assistance for projects necessary to achieve or maintain compliance with federal and State laws and regulations.
- 5) Continue to provide support for projects, or project components, focused on “green infrastructure, water or energy efficiency improvements or other environmentally innovative activities”.

- 6) Manage a program that provides applicants with a streamlined approach to financing wastewater treatment works and other eligible projects.
- 7) Provide continuous improvement to both the short and long-term planning efforts to ensure the financial strength and stability of the loan programs are maintained.
- 8) The Illinois EPA continues to work with the Illinois Finance Authority and financial advisors to analyze the leveraging capacity of the SRF loan programs, the potential need for bond proceeds and the future average annual funding levels the WPCLP can provide while maintaining its perpetuity requirements.
- 9) Analyze the methodology used for the establishment of loan program interest rates and initiate a rule modification to establish a new basis for determining interest rates to strengthen the long-term viability of the loan program and ensure a stable and perpetual financing source.

B. Long-Term Goals

- 1) Assist a broad range of water quality improvement actions that help fulfill the objective of the Clean Water Act.
- 2) Facilitate the development and implementation of technically appropriate and financially sustainable projects by small communities.
- 3) Target assistance to small and disadvantaged communities to reduce the financial impact of capital improvements projects on the users of smaller systems and systems serving less affluent populations.
- 4) Continue to proactively develop assistance opportunities to encourage implementation of priority water quality improvement projects and Agency priorities.
- 5) Manage the State Revolving Fund (SRF) to ensure appropriate levels of financing and adequate funds to administer the program are available.
- 6) Continue to assist in the development and implementation of innovative and non-traditional projects that benefit water quality resources.
- 7) Encourage the consolidation and/or regionalization of wastewater collection and treatment systems so these systems may take advantage of economies of scale and the most cost-effective solutions to wastewater collection and treatment.
- 8) To maintain the integrity of the Fund by providing a stable and perpetual financing source for publicly operated treatment works, collection systems and other eligible projects in the State, and to commit all available loan resources to those eligible loan applicants.

C. Bipartisan Infrastructure Law (BIL) Funding

- 1) The Bipartisan Infrastructure Law (BIL) (P.L. 117-58) was signed by President Biden on November 15, 2021. The law will result in five years of “supplemental” funding for the “base” CWSRF loan program, as well as new funding for CWSRF Emerging Contaminants. Section 606(c) of the Clean Water Act requires states to prepare an Intended Use Plan (IUP) which contains a Project Priority List to apply for any of these federal capitalization grants. Before Illinois EPA can apply for any of these new grants, Illinois EPA must have a fundable list of projects for which the total cost of assistance requested is at least equal to the amount of the grant being applied for. Within the FY2026 Intended Use Plan, Illinois EPA is providing information on, and requesting applications for, these new allocations of funding with the expectation that sufficient applications will be received to allow the Agency to apply for these new capitalization grants during FY2026. Illinois EPA is applying for their BIL CWSRF capitalization grant in conjunction with the base CWSRF capitalization grant and the funds will be included to increase the capacity of the FY2026 Water Pollution Control Loan Program beginning July 1, 2025.
- 2) CWSRF Emerging Contaminants Funding. Funds provided shall be to projects which are otherwise, eligible under section 603(c) of the Clean Water Act and the primary purpose is to address emerging contaminants. The breadth of projects that are eligible for this funding is described in Appendix B of this document; Attachment 1 – Appendix B: CWSRF Definition of Emerging Contaminants (from USEPA Implementation Memorandum). There is no state match requirement to obtain the federal capitalization grant. States must provide 100% of the capitalization grant to eligible recipients as loans with 100% principal forgiveness. The application process for this funding will be very similar to the existing Water Pollution Control Loan Program and applications are encouraged to be submitted immediately. Prioritization of applications and other parameters related to this new funding are under development and will be announced and disseminated within the Intended Use Plan that must be submitted to USEPA prior to applying for the federal capitalization grant. The Agency is applying for the FFY23 BIL CWSRF emerging contaminant capitalization grant and will make the funding available in FY2026. Given there are no applicants for the WPCLP Emerging Contaminants to date, the agency will be transferring the WPCLP EC funding into the PWSLP to bring the total EC funding level to \$33,526,000 on the PWSLP side. Any unspent funds from prior year will be carried over to FY2026 in the final version of the Intended Use Plans.

III. Sources and Uses of the WPCLP for FY2026

A. Sources and Amounts of FY 2026 Funds

1. Illinois EPA will make up to \$583,039,396 available for WPCLP funding in FY2026, as detailed in the table below. In FY2026, the WPCLP will impose a funding cap¹, whereby no more than

¹ In accordance with the Loan Rules; *Section 365.260 - The Agency may establish the annual limitations on the amount of loan assistance given to each loan recipient by considering the status of the Fund, capitalization grant amounts, economic conditions and requirements established by USEPA. The annual limitations on the amount of*

25% of the available funds (\$145,759,849) will be reserved for any one loan applicant. Should excess funds remain available at the end of FY2026, an applicant may be provided additional funds even if it results in the funding cap being exceeded, provided no other applicants have met the requirements to obtain funding. This step is being taken to maintain the fiscal health of the Fund, while also ensuring distribution of the available funds across the state of Illinois to as many communities as possible.

The capacity of the WPCLP will be established in the future based upon the financial analysis and cash flow modeling created by Illinois EPA for the WPCLP to remain operational in perpetuity as required by USEPA. Annual funding levels will be reviewed and established each year while developing the IUP to continue to maintain the WPCLP in perpetuity.

Availability of Funds	Amount
Base Cap Grant	\$71,753,000
Base Cap Grant State Match Funds*	\$14,350,600
BIL Supplemental Cap Grant	\$111,415,000
BIL Supplemental Cap Grant State Matching Funds	\$22,283,000
Carryover Funds SFY25**	\$3,221,612
Bond Proceeds Being Utilized in FY2026	\$59,260,681
Loan Repayments, Reimbursements, Accrued Interest	\$300,755,503
Total Loan Capacity FY2026	\$583,039,396

* State Matching Funds were provided and deposited into the Fund in State FY21 from the anti-pollution bond fund.

** If unspent funds are available, they will be carried over to FY2026 in the final IUP.

Fiscal Year	WPCLP Funding Capacity
2022	\$393.0M
2023	\$519.0M
2024	\$436.5M
2025	\$612.0M
2026	\$583.0M

1. Binding Commitments: In managing the WPCLP funds, the State must enter into loan agreements that provide financial assistance in an amount equal to 120% of the amount of each Capitalization Grant payment received, within one year after receiving its grant payment. Illinois

loan assistance established by the Agency must be included as part of the Agency's Intended Use Plan.

EPA will provide loan commitments within one year that exceed 120% of the Capitalization Grant.

2. State Match - The Illinois EPA received appropriation authority from the anti-pollution bond fund in fiscal year 2020, which provided funds necessary to match the historical and future Capitalization Grants. The WPCLP program has unallocated match dollars totaling \$21,017,922 that will be used for FFY2025 grants. The Illinois SRF also has the option of using loan support funds to satisfy the state match requirement.

3. Leveraging

The Illinois EPA completed their leveraging exercise for the Water Pollution Control Loan Program (WPCLP) in 2025. The bond proceeds from the issuance are reflected in the funding capacity for FY2026.

4. Transfer of Funds

Section 302 of the Safe Drinking Water Act (SDWA) Amendments of 1996 offers States the flexibility to transfer funds from one SRF program to the other. Moneys may be transferred between the SRF programs on a net basis provided that the 33% ceiling is maintained. Once money has been transferred, even if the donor SRF reached the 33% limit, it may still be transferred back to the donor SRF from the receiving SRF by a subsequent transfer. Illinois EPA is reserving the right to transfer an amount up to 33% of the cumulative Drinking Water State Revolving Fund (DWSRF) Capitalization Grants from the WPCLP to the PWSLP, or an equivalent amount from the PWSLP to the WPCLP.

Illinois EPA is also taking advantage of this transfer authority in transferring BIL Wastewater Emerging Contaminants funding into PWSLP as noted in Section II.C. The statutory ceiling of funds available to transfer is 33% of the DWSRF Emerging Contaminant allotment. The YTD Drinking Water Contaminants allotment is \$74,877,000 and 33% of the allotment equals \$24,709,410; thus allowing 100% of the BIL Wastewater Emerging Contaminant allotment (equal to \$9,617,000) to be transferred to the DWSRF Emerging Contaminant Program.

5. Financial Planning

The financial planning process is aimed at maximizing 100% of program resources available as efficiently and responsibly as possible while minimizing long-term financial risk in the program. Illinois EPA has engaged financial advisors to independently determine the optimum amount of loan disbursements that is sustainable over the next 20 years while maintaining the USEPA's perpetuity requirements. Illinois EPA is enhancing its current forecasting models to determine the timing of cash inflows and the effect on available resources to meet current and future obligations. Illinois EPA monitors on an ongoing basis cash balances available for disbursement to loan borrowers and needs of the program. Leveraged bond sales will occur as the cash needs of the program dictate.

6. Grant Payment Schedule

In each wastewater Capitalization Grant Application (Form 424), and in the cover letter to U.S. EPA, Illinois EPA requests the Capitalization Grant be immediately placed in the "Automated

Standard Application for Payment” system for drawing for projects.

Project Priority List

The Illinois EPA has developed a Project Priority List (PPL) (Appendix E) that identifies applicants eligible for assistance and is comprised of all projects which submitted a Funding Nomination Form prior to March 31, 2025. There are \$3,694,622,863 worth of projects on the FY2026 WPCLP PPL, far exceeding the amount of funding available.

Projects on the PPL are in various stages of the funding application process but only those projects identified on the **Intended Funding List** have funds reserved for them during the first six months of FY2026. ***Projects which are not on the Intended Funding List should not proceed towards bidding their project until sufficient progress has been made towards obtaining funding and the Illinois EPA has notified the applicant in a Letter of Commitment that funds are available for the project.***

Projects which have achieved Project Plan approval by March 31, 2025, and are scheduled to initiate construction prior to March 31, 2026, have been ranked and scored in accordance with section 365.345 of the Loan Rules and are eligible for the Intended Funding List per 35 Ill. Adm. Code 365.340. Applicants with a higher priority score will be ranked higher than applicants with a lower priority score. The total costs of projects on the Intended Funding List shall not exceed the total amount of funds available.

The Intended Funding List (IFL) is a subset of the PPL. In accordance with the Loan Rules, loan funds will be reserved for projects on the IFL through December 31, 2025. After January 1, 2026, projects on the IFL may be “bypassed” as detailed below. A project that is bypassed does not lose its eligibility for funding; however, funds for a bypassed project are no longer held in reserve and may thereafter, during the bypass funding period (January 1, 2026, through June 30, 2026), be awarded to any other project on the PPL that meets the criteria for loan award per Section 365.350 of the Loan Rules. Projects will be funded in the order in which all requirements of Section 365.410 of the Loan Rules are completed.

Project Bypass Procedure

Per the Loan Rules, after January 1 of each year, the Agency may bypass projects on the Intended Funding List that have not submitted a loan application, obtained all necessary construction permits and demonstrated they will be unable to establish a bid opening date prior to March 31, 2026. The Agency will evaluate projects on the PPL, based upon readiness to proceed as demonstrated by meeting the criteria for loan award per Section 365.350 of the Loan Rules, and offer loan commitments to projects on the PPL to the extent funds are available in the order in which all requirements of Section 365.410 of the Loan Rules are completed. If a project on the Intended Funding List indicates to the Agency between July 1, 2025, and December 31, 2025, that they do not intend to move forward with construction prior to June 30, 2026, the Agency will issue a “bypass letter” to said project making those funds reserved available for other projects.

Another subset of the PPL are those projects which have achieved Project Plan approval but have an anticipated construction start date after March 31, 2026. In accordance with the Loan Rules, funding may not be reserved for these projects due to their anticipated construction start date.

Funding may be provided to these projects during the bypass period, or earlier, should available funds exceed the funding requested by projects on the Intended Funding List.

All other projects which submitted a Funding Nomination Form prior to March 31, 2025, but for which Project Plan approval has not been achieved, have been added to the PPL in alphabetical order and thereby ranked equally. Projects for which a Project Plan has not yet been submitted have their project number (L17#) listed as “to be determined” (TBD).

7. Program Administrative Costs and Fees

For State FY2026, the WPCLP will be composed of two accounts used to provide assistance to accomplish its goals:

Administrative Costs: The Water Infrastructure for the Nation (WIIN) Act (Public Law 114-322) allows state Clean Water Programs to establish their annual administrative expenditure levels based on the following criteria:

An amount not to exceed 4.0% of the total of all grants awarded to capitalize the WPCLP, \$400,000 per year, or 1/5% per year of the current valuation of the fund, whichever amount is greatest, is reserved and may be utilized as determined necessary for the reasonable costs of administering the fund and to conduct activities required under Title VI of the CWA.

The total of all grants awarded to capitalize the WPCLP, including the anticipated FFY 2025 grant, is \$2,817,999,341 (4% of this total is \$112,719,973). In State FY2026, the program anticipates spending \$4,456,600 on administrative expenses from Fund equity and will not draw any administrative costs from the Capitalization Grant. The program estimates total administrative expenditures since the beginning of the loan program will total \$92,250,669 at the end of June 30, 2026.

Banked Administrative Set-Aside	Amount
4% of all Capitalization Grants	\$112,719,973
Historical Administrative Outlays	(\$92,250,669)
Projected June 30, 2026, Administrative Banked Balance	\$20,469,304

In addition, Illinois EPA will set-aside 4% of the BIL CWSRF supplemental 2025 capitalization grant, an amount totaling \$4,456,600 to be used for loan program administration as provided for under the Bipartisan Infrastructure Law (P.L. 117-58).

Loan Support Program: The Illinois EPA has operated and maintained a Loan Support Program (LSP) outside the Federal SRF since 1996. The LSP is maintained as a single entity in Illinois statute, but the Illinois EPA accounts separately for funds attributable to WPCLP and PWSLP loans. The LSP is financed by the loan support portions of the fixed loan rate, with that portion currently established at 50% of the fixed loan rate in the WPCLP and the PWSLP. To date, the LSP has been used primarily to finance the reasonable costs incurred by the Illinois EPA for functions that support the management of the Water Revolving Fund, which is the financial mechanism used in

administering Illinois' SRF programs.

WPCLP Loan Support – Balance/Receipts/Outlays	WPCLP Loan Support
Estimated Balance July 1, 2025	\$ 53,140,247
Estimated SFY2026 Receipts	\$ 26,495,380
Operational Outlays	\$ (15,000,000)
Transfer to Loan Program to Provide State Match	\$ (0)
Match for 319(h) Grants	\$ (1,500,000)
Estimated WPCLP Loan Support Balance June 30, 2026	\$ 63,135,627

IV. Program Management

One of the purposes of the IUP is to facilitate the planning and administration of the WPCLP. The following highlights some program aspects most notable to applicants as well as the Agency.

A. Principal Forgiveness, Interest Rate and Loan Term Determinations

Loan Program staff routinely discuss principal forgiveness, interest rates and loan terms with loan applicants. Staff complete an internal checklist using the loan applicant's information to determine if an applicant qualifies for principal forgiveness, which interest rate an applicant qualifies for and the maximum term for the loan agreement. The principal forgiveness, interest rate and loan term are finalized at the time of loan agreement execution, following bidding of the contract and prior to the commencement of construction activity.

1) Principal Forgiveness

The WPCLP can offer a reduction to the amount of principal that an applicant would otherwise need to repay for its project. This reduction is called "principal forgiveness," per the Clean Water Act (CWA). Although the name is different, in practical application, principal forgiveness functions much like a grant *i.e.*, the eligible capital costs of the project are reduced by the principal forgiveness amount, thereby eliminating a portion of the principal (and interest) that the borrower must repay.

Section 603(i) of the Clean Water Act requires states to provide a minimum of 10% (7,175,300) and a maximum of 30% (\$21,525,900) of its annual available Capitalization Grant funds (\$71,753,000) to provide subsidization, in the form of principal forgiveness, for loan recipients which meet the affordability criteria established by the State. In addition to the "base CWSRF" capitalization grant the Agency will be receiving a "supplemental CWSRF" capitalization grant in the amount of \$111,415,000 and 49% of this grant, or \$54,593,350, must be provided as subsidization, in the form of principal forgiveness. In addition, there is principal forgiveness from FY2025 that will be carried over to FY2026. The amount of the carryover from FY2025 is \$3,221,612, which is reflected in the FY2026 projections. The WPCLP will provide \$70,847,876 in principal forgiveness in FY2026 for loan recipients which meet the affordability criteria

established by the State. This “affordability criteria” principal forgiveness provided via assistance awards will follow the terms outlined in Appendix C, but in accordance with Section 365.250(c) of the Loan Rules, a cap of \$6,000,000 on the amount of principal forgiveness per loan applicant in FY26.

As projects on the Intended Funding List that qualified for principal forgiveness are bypassed, those funds will be made available, with priority given to the project with the higher loan priority score, to the next applicant which qualifies for a Letter of Commitment in accordance with Section 365.355 of the Loan Rules, excluding Section 365.355(a)(2).

In addition to the subsidization required to be provided by the Clean Water Act, the federal Capitalization Grant as a result of the annual appropriations act requires that 10% (\$7,175,300) of the available funds may be used to provide additional subsidization for eligible loan recipients in the form of principal forgiveness (“appropriation” principal forgiveness). Use of these funds and eligibility is determined by each state. The Illinois EPA will divide a portion of the “appropriation” principal forgiveness into two segments, making \$3,587,650 available for Wastewater Treatment Facility Consolidation principal forgiveness, and \$3,587,650 available for Wastewater Treatment Facility Compliance Solution principal forgiveness as described below. Any of the unused “appropriation” principal forgiveness will be provided as affordability criteria principal forgiveness.

Wastewater Treatment Facility Consolidation Principal Forgiveness – Illinois EPA will make \$3,587,650 in principal forgiveness available for loan applicants who own and operate a wastewater treatment facility whose project would result in the consolidation of two or more wastewater treatment facilities. The funded project must result in the elimination of one or more NPDES Permit(s) for a wastewater treatment facility meeting the following requirements:

- 1) The wastewater treatment facility being eliminated has an NPDES Permit Design Average flow of less than one-million gallons per day.
- 2) The wastewater treatment facility is in a community with an MHI less than the Illinois state-wide MHI of \$81,702 according to the American Community Survey 5-year estimate.

Illinois EPA will make \$3,587,650 in principal forgiveness available for these projects in FY2026. Applicants will be scored and ranked for priority in accordance with 35 Ill. Adm. Code 365.345. No applicant can receive more than \$1,793,825 in Wastewater Treatment Facility Compliance assistance principal forgiveness in FY2026.

If wastewater treatment facility consolidation principal forgiveness funding is not expended, it may be used to provide affordability criteria principal forgiveness or the Wastewater Facility Compliance Solution Principal Forgiveness. Loan recipients may receive both affordability principal forgiveness and wastewater treatment facility consolidation compliance assistance principal forgiveness. When applicable, Illinois EPA will first apply the affordability criteria principal forgiveness to a project, up to the maximum amount allowed, and then apply the wastewater treatment facility consolidation principal forgiveness, up to the maximum amount.

Wastewater Treatment Facility Compliance Solution Principal Forgiveness – Illinois EPA will make \$3,587,650 in principal forgiveness available for public loan applicants who own and operate a wastewater treatment facility whose project would result in the treatment facility

coming into compliance with their NPDES Permit conditions. The funded project must occur at a wastewater treatment facility meeting the following requirements:

- 1) The Wastewater Treatment Facility has a history of long-term significant non-compliance (> 6 quarters of last 12 quarters) with its NPDES Permit effluent limits.
- 2) The Wastewater Treatment Facility has an NPDES Permit Design Average Flow of less than one-million gallons per day.
- 3) The Wastewater Treatment Facility is in a community with an MHI less than the Illinois state-wide MHI of \$81,702 according to the Census Bureau website.

Illinois EPA will make \$3,587,650 in principal forgiveness available for these projects in FY2026. Applicants will be scored and ranked for priority in accordance with 35 Ill. Adm. Code 365.345. No applicant can receive more than \$1,793,825 in Wastewater Treatment Compliance Solution principal forgiveness in FY2026.

If Wastewater Treatment Facility Compliance Solution principal forgiveness funding is not expended, it may be used to provide affordability criteria principal forgiveness or the Wastewater Facility Consolidation Principal Forgiveness. Loan recipients may receive both affordability criteria principal forgiveness and wastewater treatment facility compliance solution principal forgiveness. When applicable, Illinois EPA will first apply the affordability criteria principal forgiveness to a project, up to the maximum amount allowed, and then apply the wastewater treatment facility compliance solution principal forgiveness, up to the maximum amount.

The unused dollars from the Consolidation and Compliance Solution Principal Forgiveness will be put back into the affordability criteria Principal Forgiveness in FY2026.

2) Interest Rate and Loan Term Determinations

The Loan Rules provide for a fixed loan rate that shall be established annually at one-half the market interest rate. Specifically, the fixed loan rate is defined by rule as one-half the mean interest rate of the 20 General Obligation Bond Buyer Index from July 1 to June 30, in the preceding State FY, rounded to the nearest .01%. Current Loan Rules establish a new interest rate each July 1 for the following State FY. Based on bond rates as of June 30, 2025, the fixed loan rate for loans executed by Illinois EPA from July 1, 2025, through June 30, 2026, is determined on June 30, 2025.

The Loan Rules also allow for reduced interest rates, based upon certain criteria, as well as the possibility for a maximum term of up to 30 years from the initiation of operation, with initial repayments of principal to commence within one year of the initiation of operation. The fixed loan rate is a simple, annual rate. The details from the Loan Rules governing interest rates and repayment period are below:

Section 365.210 Fixed Loan Rate

The interest rate of the loan agreement shall be a fixed loan rate and shall be established as follows:

- a) Base 30 Year Rate –2.16% - Loan agreements with a repayment period not to exceed 30 years shall have a fixed loan rate equal to 50% of the market interest rate (mean interest rate of the 20 General Obligation Bond Buyer Index, from July 1 through June 30 of the

preceding State fiscal year rounded to the nearest 0.01%).

- b) Small Community Rate –1.62% - Public loan applicants with a service population less than 25,000 that also meet any one of the following three criteria qualify for a fixed loan rate equal to 75% of the Base 30 Year Rate:
 - 1) The median household income of the public loan applicant's service population is less than the statewide average.
 - 2) The unemployment rate of the public loan applicant's service population is greater than the statewide average.
 - 3) The public loan applicant's annual user charge, based upon the average monthly bill of the public loan applicant's residential customers, is greater than 1.0% of the median household income of the public loan applicant's service population.
- c) Hardship Rate –1.00% - Public loan applicants with a service population less than 10,000 that also meet any one of the following three criteria qualify for a fixed loan rate of 1.0%:
 - 1) The median household income of the public loan applicant's service population is below 70% of the statewide average.
 - 2) The unemployment rate of the public loan applicant's service population is at least 3.0 percentage points greater than the statewide average.
 - 3) The public loan applicant's annual user charge, based upon the average monthly bill of the public loan applicant's residential customers, is greater than 1.5% of the median household income of the public loan applicant's service population.
- d) Environmental Impact Discount – When at least 50% of the eligible project costs fund any of the following components, the loan applicant shall receive a 0.2% discount from the rates established in subsection (a), (b), or (c):
 - 1) new projects for the collection or treatment of unsewered communities;
 - 2) projects involving nutrient removal or nutrient loss reduction;
 - 3) green infrastructure projects;
 - 4) projects lowering water demand; or
 - 5) projects reducing energy demands at a wastewater treatment facility.

Section 365.220 Loan Repayment Period

- a) Except as provided in subsection (b), the loan repayment period cannot exceed the lesser

of 30 years beyond the initiation of operation date, 30 years beyond the initiation of the loan repayment period, or the projected useful life of the project to be financed with proceeds of the loan.

- b) The Agency may require a loan repayment period term of less than the maximum. In evaluating the appropriateness of alternative loan terms, the Agency shall consider such factors as the scope of the proposed project, the impacts of alternative loan terms on user fees, and the overall cost of the project.

V. Federal Assurances

Illinois EPA provides the following assurances and certifications to the U.S. EPA as a part of the IUP. Illinois EPA agrees to the following as required by the Clean Water Act (CWA), the WPCLP Operating Agreement with the U.S. EPA, and as conditions of the grants to capitalize the WPCLP.

A. 602(a) - Environmental Reviews

The Illinois EPA will conduct environmental reviews for all projects as specified in its Operating Agreement with the U.S. EPA and specified in Part 365 of the Loan Rules for Issuing Loans from the Water Pollution Control Loan Program. The procedures establish a methodology to assure that loan funded projects are environmentally acceptable.

B. 602(b) (4) - Expeditious and Timely Expenditures

Illinois EPA will expend all funds in the WPCLP in a timely and expeditious manner.

C. 602(b) (5) - First Use for Enforceable Requirements

The first use requirement has been met in Illinois.

D. 603(f) - Consistency with Planning Requirements

Projects constructed in whole or in part with funds directly made available by Federal Capitalization Grants will be required to comply with the following Sections of the CWA, as applicable: 205(j), 208, 303(e), and 319.

E. 603(d)(1)(E) – Fiscal Sustainability Plan (FSP) Requirements

All loan recipients will certify that a Fiscal Sustainability Plan has been developed and implemented in accordance with the Water Resources Reform and Development Act of 2014.

F. 603(b)(14) – Architectural and Engineering Services Procurement Requirements

Beginning with loan applications received after October 1, 2014, A/E contracts which are funded by Federal Capitalization Grant funds shall be negotiated in the same manner as a contract for A/E services under Chapter 11 of Title 40 of the United States Code, or an equivalent State qualifications-based requirement (33 U.S.C. Section 1382(b)(14)). Many of Illinois' repeat applicants choose not to borrow money for engineering services. In addition, several municipalities that annually borrow money for ongoing infrastructure projects routinely utilize a quality-based selection process when hiring an architectural or engineering firm. Therefore, Illinois will meet this

requirement through equivalency.

G. 602(b)(13) – Cost and Effectiveness Analysis

Beginning in Federal FY2016 (October 1, 2015), SRF recipients must certify that the project chosen is the most sustainable and cost-effective (Section 602(b)(13)). All Illinois WPCLP loan recipients must certify that they have selected, to the maximum extent practicable, the project that maximizes the potential for efficient water use, reuse, recapture, and energy conservation.

H. Program Benefits Reporting

All funded projects will be reported to the U.S. EPA's Office of Water State Revolving Funds reporting database on an ongoing basis, as required by U.S. EPA. In addition, Illinois EPA will meet the reporting requirements set forth by the Federal Funding Accountability and Transparency Act (FFATA) and will report annually into the National Information Management System database.

I. Wage Rates and Standards

In order to meet a Federal Capitalization Grant condition, the Illinois EPA will require WPCLP projects to comply with the Federal wage and employment standards under the Federal Davis-Bacon Act.

J. Green Project Reserve

The Illinois EPA will maintain its commitment to green infrastructure in State FY2026. As in recent years, the Federal FY2025 Capitalization Grant includes a Green Project Reserve (GPR) requirement whereby Illinois EPA must utilize not less than 10% of Capitalization Grant funds or \$11,141,500 to provide continued support for projects or project components focused on "green infrastructure, water or energy efficiency improvements or other environmentally innovative activities".

Likewise, the FY2026 BIL supplemental CWSRF Capitalization Grant includes a GPR a Green Project Reserve (GPR) requirement whereby Illinois EPA must utilize not less than 10% of the BIL supplemental Capitalization Grant funds to provide continued support for projects or project components focused on "green infrastructure, water or energy efficiency improvements or other environmentally innovative activities".

The WPCLP will maintain compliance with this requirement. The projects which contain GPR components, and the amount of funding provided, will be reported to the U.S. EPA's Office of Water State Revolving Funds reporting database. Despite uncertainty regarding the Federal GPR requirement, the Illinois EPA is taking steps to institutionalize certain green infrastructure practices and policies in the Illinois SRF programs and encourage green infrastructure practices.

The Illinois EPA has identified the projects below which contain components qualifying for the Green Project Reserve that are likely to receive funding during FY2026. The Illinois EPA will identify the final list of projects and the amount of GPR components funded in the Annual Report.

FY 26 POTENTIAL GREEN PROJECT RESERVE	L17	Amount	Project Description
Clearview Sanitary District	6585	\$ 719,000	Sanitary sewer and manhole rehab and lagoon sludge removal.
Wonder Lake	4024	\$ 12,500,000	Addition of 39 properties to the village wastewater collection system.
Buckley	6282	\$ 8,500,000	New wastewater collection system and treatment.
Buckley	7547	\$ 3,825,000	New wastewater collection system and treatment.
MWRDG	6037	\$ 25,000,000	Contract No. 19-856-3E TARP Control System Replacement, SSA, CSA, NSA.
Ursa	4150	\$ 4,000,000	Conversion of the existing land applied treatment system to a stream discharge by adding two aerated lagoon cells and an aerated rock filter following the existing lagoon. The existing lagoon will remain in service. The effluent from the rock filter will be discharged into Ursa Creek.
Ashmore	6567	\$ 4,727,481	Complete Sewer System including Treatment facility.
Peoria	5914	\$ 13,159,000	Year 4 CSO Long Term Control Plan
Quincy	7360	\$ 1,230,680	Project includes two flow restriction structures on the Whipple Creek combined sewer to store water in the upstream sewer segments.
Ridgway	6121	\$ 1,700,000	Sewer replacement and Lagoon improvements.
Total		\$ 75,361,161	

K. Archeological and Historic Preservation Act of 1974, PL 93-291 *et seq.*

U.S. EPA has determined that the provisions of PL 93-291, also known as the National Historic Preservation Act, must be applied to activities of State revolving loan.

L. Guidelines for Enhancing Public Awareness of State Revolving Fund Assistance Agreements

U.S. EPA has produced a document titled “Guidelines for Enhancing Public Awareness of SRF Assistance Agreements” (dated June 3, 2015), which outlines the requirement for increased awareness of Federal funding through the DWSRF and CWSRF. These guidelines include options for project “signage”. Illinois EPA has satisfied this requirement by modifying Standard Condition No. 23 within the Loan Agreement, which states:

The loan recipient shall meet a signage requirement by posting a sign at the project site or making an equivalent public notification such as a newspaper or newsletter publication; utility bill insert; or online posting for the project duration. After the signage requirement is met, documentation must be submitted to the Illinois EPA using the Public Notification/Signage Requirement Certificate of Completion.

All loan recipients must submit the certification form prior to the first disbursement of loan funds. All signage must include language that the project is wholly or partially funded with joint funding using both State and Federal funds. For more information, please refer to the IEPA website link: [SRF Guidance \(illinois.gov\)](#)

M. Equivalency

States can identify a group of loans, the sum of which is equal to the amount of its capitalization grant, to meet crosscutter and single audit requirements. This concept is called “equivalency”. In addition, with the enactment of the Water Resources Reform Development Act equivalency can be used to meet the “Procurement for Architectural and Engineering Contracts” (A/E) requirement. Illinois considered using equivalency to satisfy the single audit requirements. Illinois will select a group of projects from the Intended Funding List who will be chosen to meet the equivalency requirement. The list will be finalized in July when the final IUPs are published.

N. American Iron and Steel (AIS) Requirements, and Build America, Buy America

All WPCLP projects, that receive SRF funding after July 1, 2024, must abide by the new Build America, Buy America guidelines. Additional guidance can be found on the IEPA website in the following link:

[SRF Guidance \(illinois.gov\)](https://www.illinois.gov/transportation/infrastructure/build-america-buy-america)

On November 15, 2021, President Biden signed into the Infrastructure Investment and Jobs Act which includes the Build America, Buy America Act (BABA). The Act requires the following:

(1) All iron and steel used in the project are produced in the United States. (2) All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product. (3) All construction materials are manufactured in the United States.

O. Accounting/Auditing Requirements

Illinois agrees to use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards as these are promulgated by the Governmental Accounting Standards Board. Generally accepted government auditing standards are usually defined as, but not limited to, those contained in the U.S. General Accounting Office (GAO) publication “Government Auditing Standards” (1988 revision). Illinois also requires recipients of SRF assistance to maintain project accounts in accordance with generally accepted government accounting standards as these are promulgated by the Government Accounting Standards Board. These accounts must be maintained as separate accounts.

APPENDIX A: Definitions and Acronyms

As used in this document, the following words and terms mean:

Agency - Illinois Environmental Protection Agency. (415 ILCS 5/19.2(a))

Binding Commitment – A legal obligation between the Agency and a loan recipient to provide financial assistance from the Public Water Supply Loan Program to that loan recipient, specifying the terms and schedules under which assistance is provided. The loan agreement will be considered a binding commitment.

BMP(s) - Best Management Practice(s).

Bypass - An action by Illinois EPA to remove a project from funding consideration in a State FY.

Capitalization Grant - The actual Federal funds received by the Agency for deposit into the WPCLP as a result of the Capitalization Grant agreement with U.S. EPA.

Construction - Means any one or more of the following: preliminary planning to determine the feasibility of treatment works, engineering, architectural, legal, fiscal, or economic investigations or studies, surveys, designs, plans, working drawings, specifications, procedures, field testing of innovative or alternative wastewater treatment processes and techniques meeting guidelines promulgated under Section 304(d)(3) of the Clean Water Act, or other necessary actions, erection, building, acquisition, alteration, remodeling, improvement, or extension of treatment works, or the inspection or supervision of any of the foregoing items.

CWA - The Clean Water Act, as amended (33 USC 1251 *et seq.*).

CWSRF - Clean Water State Revolving Fund

Director - Director of the Illinois Protection Agency

Energy Efficiency - The use of improved technologies and practices to reduce the energy consumption of water quality projects, including projects to reduce energy consumption or produce clean energy used by a treatment works.

EPA - Environmental Protection Agency

Facilities - Equipment or operating systems that are constructed installed or established to serve the particular purpose of mitigating the impacts of sewerage, industrial waste or non-point sources of pollution in a watershed. Facilities may involve stand-alone projects or be involved as component pieces of treatment works. Facilities in the context of the Green Project Reserve will address green infrastructure, water and energy efficiency improvements and other environmentally innovative activities.

FFATA – Federal Funding Accountability and Transparency Act

Fund - The Water Revolving Fund, as authorized by 415 ILCS 5/19.3, consisting of the Water Pollution Control Loan Program, the Public Water Supply Loan Program, and the Loan Support Program.

FY - Fiscal Year

Green Infrastructure - Includes a wide array of practices at multiple scales that manages and treats stormwater, and that maintains and restores natural hydrology by infiltrating, evapotranspiring and capturing and using stormwater.

GPR - Green Project Reserve, which is the portion of funded projects from the Capitalization Grant, that are required to be documented by the Agency in its Intended Use Plan and Annual Report. These projects address green infrastructure, water and energy efficiency improvements and other environmentally innovative activities as directed by Federal law.

Initiation of Operation - The date that the funded treatment works are in full and sustained operation as planned and designed.

IUP - Intended Use Plan - A plan that includes a description of the short- and long-term goals and objectives of the Water Pollution Control Loan Program, project categories, discharge requirements, terms of financial assistance and the loan applicants to be served. (415 ILCS 5/19.2(e))

Interest Rate - The interest rate of the loan agreement shall be a fixed loan rate.

IUP - Intended Use Plan

Loan Agreement - The contractual agreement document between the Agency and the loan recipient that contains the terms and conditions governing the loan issued from the WPCLP.

Market Interest Rate - The mean interest rate of the 20 General Obligation Bond Buyer Index, from July 1 through June 30 of the preceding State FY rounded to the nearest 0.01%.

Median Household Income or MHI - The median household income is the American Community Survey 5-year estimate from the United States Department of Commerce, Bureau of the Census.

Municipality - A municipality as defined in Section 502 of the Federal Clean Water Act. (33 USC 1362(4))

NPS - Nonpoint Source

Operating Agreement - The agreement between the Agency and U.S. EPA that establishes the policies, procedures and activities for the application and receipt of Federal Capitalization Grant funds for capitalization of the WPCLP.

Principal - The total amount of funds distributed to loan recipients for eligible project costs.

Principal Forgiveness - The portion of a loan's principal for which there is no repayment obligation, consistent with the terms of the project's loan agreement.

PPL - Project Priority List, which is an ordered listing of projects developed in accordance with the priority system described in 35 Ill. Adm. Code 365.345 (Loan Priority Score) that the Agency has determined are eligible to receive financial assistance from the WPCLP.

Public Loan Applicant - A loan applicant that is a municipality, intermunicipal agency, interstate agency, or local government unit that has applied for a loan under the WPCLP.

PWSLP - The Public Water Supply Loan Program as authorized by Section 19.2 of the Environmental Protection Act. (415 ILCS 5/19.2)

Readiness to Proceed - Timely progress toward achieving a binding commitment during the State FY and initiating project activities. This is measured by an applicant's success in meeting all applicable pre-award WPCLP program requirements.

Service Population - The number of people served by the public loan applicant.

SRF - State Revolving Fund

Title VI - Title VI of the Federal Clean Water Act. (33 USC 1251 *et seq.*)

Treatment Works – Treatment works, as defined in section 212 of the federal Water Pollution Control Act (33 USC 1292), including, but not limited to, the following:

any devices and systems owned by a local government unit and used in the storage, treatment, recycling, and reclamation of sewerage or industrial wastes of a liquid nature, including intercepting sewers, outfall sewers, sewage collection systems, pumping power and other equipment, and appurtenances;

extensions, improvements, remodeling, additions, and alterations thereof;

elements essential to provide a reliable recycled supply, such as standby treatment units and clear well facilities;

any works, including site acquisition of the land that will be an integral part of the treatment process for wastewater facilities; and

any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste, including storm water runoff, or industrial waste, including waste in combined storm water and sanitary sewer systems as those terms are defined in the Federal Water Pollution Control Act.
[415 ILCS 5/19.2(f)]

Unemployment Rate - The annual average unemployment rate calculated by the Illinois Department of Employment Security's Economic Information and Analysis Division.

Useful Life - The estimated period during which a treatment works is intended to be operable, as certified by the project's consulting licensed professional engineer.

U.S. EPA - United States Environmental Protection Agency.

User Charge - A charge levied on the users of a treatment works to produce adequate revenues for the operation, maintenance and replacement of the treatment works.

WPCLP - Water Pollution Control Loan Program, as authorized by Section 19.2 of the Environmental Protection Act. (415 ILCS 5/19.2)

WRRDA - Water Resources Reform and Development Act of 2014. (P.L. 113-121)

**Appendix B: CWSRF Definition of Emerging Contaminants
(from USEPA Implementation Memorandum)**

**Attachment 1 – Appendix B:
CWSRF Definition of Emerging Contaminants**

Emerging contaminants refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment.²⁶ These substances, microorganisms or materials can include many different types of natural or manufactured chemicals and substances – such as those in some compounds of personal care products, pharmaceuticals, industrial chemicals, pesticides, and microplastics.^{27,28}

The main categories of emerging contaminants include but are not limited to:

- **Perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other persistent organic pollutants (POPs)** such as polybrominated diphenyl ethers (PBDEs; used in flame retardants, furniture foam, plastics, etc.) and other persistent organic contaminants such as perfluorinated organic acids, PFAS free foam flame retardants;
- **Biological contaminants and microorganisms**, such as antimicrobial resistant bacteria, biological materials, and pathogens;
- **Some compounds of pharmaceuticals and personal care products (PPCPs)**, including a wide suite of human prescribed drugs (e.g., antidepressants, blood pressure medications, hormones), over-the-counter medications (e.g., ibuprofen), bactericides, fragrances, UV filters (sunscreen agents), detergents, preservatives, and repellents;²⁹
 - Insect Repellents, Cosmetics and UV filters: DEET, Methylparabens, Benzophenone³⁰
 - Fragrances: HHCB and AHTN (7-acetyl-1,1,3,4,4,6-hexamethyl-1,2,3,4-tetrahydronaphthalene; CAS 21145-77-7; Tonalide)³¹
 - Cosmetic and food preservatives: BHA (butylated hydroxyanisole) and BHT (butylated hydroxytoluene)³²
 - Veterinary medicines such as antimicrobials, antibiotics, anti-fungals, growth promoters, investigational new animal drugs, and hormones;
 - Substances that illicit endocrine-disrupting chemicals (EDCs), including synthetic estrogens (e.g., 17 α ethynylestradiol, which also is a PCPP) and androgens (e.g., trenbolone, a veterinary drug), naturally occurring estrogens (e.g., 17 β -estradiol, testosterone), as well as many others (e.g., organochlorine pesticides, alkylphenols)
- **Nanomaterials** such as carbon nanotubes or nano-scale particulate titanium dioxide, of which little is known about either their environmental fate or effects.

²⁶ 2020 White House Office of Science & Technology Policy document which focused on drinking water/human health

²⁷ Contaminants of Emerging Concern under the Clean Water Act 2019, Congressional Research Services

²⁸ White Paper Aquatic Life Criteria for Contaminants of Emerging Concern 2008

²⁹ Peck, A.M. Analytical methods for the determination of persistent ingredients of personal care products in environmental matrices. *Anal Bioanal Chem* **386**, 907–939 (2006). <https://doi.org/10.1007/s00216-006-0728-3>

³⁰ Diana Montes-Grajales, Mary Fennix-Agudelo, Wendy Miranda-Castro, Occurrence of personal care products as emerging chemicals of concern in water resources: A review, *Science of The Total Environment*, Volume 595, 2017, Pages 601-614, ISSN 0048-9697, <https://doi.org/10.1016/j.scitotenv.2017.03.286>. (<https://www.sciencedirect.com/science/article/pii/S0048969717308161>)

³¹ J Environ Eng (New York). Author manuscript; available in PMC 2010 Feb 1. Published in final edited form as: J Environ Eng (New York). 2009 Nov 1; 135(11): 1192. doi: 10.1061/(ASCE)EE.1943-7870.0000085

³² Soliman, Mary A., et al. "Human Pharmaceuticals, Antioxidants, and Plasticizers in Wastewater Treatment Plant and Water Reclamation Plant Effluents." *Water Environment Research*, vol. 79, no. 2, 2007, pp. 156–167., <https://doi.org/10.2175/106143006x111961>.

• **Microplastics/Nanoplastics:** synthetic solid particle or polymeric matrix, with regular or irregular shape and with size smaller than 5 mm, of either primary or secondary manufacturing origin, or larger plastic materials that degrade into smaller pieces, including from tire wear (such as 6PPD), which are insoluble in water.³³ Primary microplastics include particles produced intentionally of this very small dimension, like pre-production pellets used as intermediate in plastic production, microbeads for abrasive functions or microfibers that form from synthetic textiles.³⁴

Projects that address contaminants with [water quality criteria established by EPA](#) under CWA section 304(a), except for PFAS are not eligible for CWSRF Emerging Contaminants funds.

³³ J.P.G.L. Frias, Roisin Nash, Microplastics: Finding a consensus on the definition, Marine Pollution Bulletin, Volume 138, 2019, Pages 145-147, ISSN 0025-326X, <https://doi.org/10.1016/j.marpolbul.2018.11.022>. (<https://www.sciencedirect.com/science/article/pii/S0025326X18307999>)

³⁴ Silvia Galafassi, Luca Nizzetto, Pietro Volta, Plastic sources: A survey across scientific and grey literature for their inventory and relative contribution to microplastics pollution in natural environments, with an emphasis on surface water

Appendix C: Principal Forgiveness (Additional Subsidization) Distribution

Section 365.250 Additional Subsidization

- a) The Agency may provide additional subsidization as provided in section 603(i) of the CWA or as otherwise prescribed by USEPA in the annual capitalization grant agreement.
- b) Pursuant to section 603(i)(2) of the CWA, the Agency adopts the following affordability criteria.
 - 1) To be eligible for additional subsidization under section 603(i)(1)(A)(i) of the CWA, a public loan recipient must
 - A) have a service population of 30,000 or less, unless the loan applicant's median household income (MHI) is 70% or less of the statewide average; and
 - B) score at least 21 points based on the following criteria:
 - i) Median Household Income

Points	MHI as % of Statewide MHI
0	Above 100%
5	95-99.99%
10	90-94.99%
15	85-89.99%
20	80-84.99%
25	75-79.99%
30	70-74.99%
35	65-69.99%
40	60-64.99%
45	55-59.99%
50	50-54.99%

55	45-49.99%
60	0-44.99%

ii) Population

Points	Service Population
0	Above 30,000
5	20,000-30,000
10	15,000-19,999
15	10,000-14,999
20	5,000-9,999
25	2,000-4,999
30	1,000-1,999
35	0-999

iii) Additional Criteria

Points	Additional Criteria
1	Unemployment rate is greater than the statewide average unemployment rate by one percentage point or more
4	Decrease in service population greater than 5.0% in the last 5 years from the date of the loan application

- 2) The amount of additional subsidization provided under section 603(i)(1)(A)(i) of the CWA will be capped for qualifying public loan recipients and applied only to eligible projects costs as follows:

Points	Percent
0-20	0%
21-40	up to 15%
41-60	up to 30%
61-80	up to 45%
81-100	up to 60%

- c) Notwithstanding the additional subsidization caps in subsection (b)(2), the Agency may establish a base cap applicable to each loan recipient within its Intended Use Plan each year. The base cap shall be the same amount for each loan recipient receiving additional subsidization. In determining the base cap, the Agency must consider the following factors:
- 1) the amount of federal appropriation allocated to the Agency for additional subsidization;
 - 2) the number of qualifying loan recipients;
 - 3) the availability of equity in the State Water Revolving Fund while ensuring the fund operates in perpetuity; and
 - 4) requirements established by USEPA.
- d) The Agency shall prioritize public loan applicants who score at least 21 points under the affordability criteria in subsection (b) and shall award additional subsidization to loan applicants in the order that loan applicants have been issued a loan by the Agency pursuant to Section 365.410.

Appendix D: Summary of Public Participation and Public Comments

The Draft 2026 IUP was released for public review on May 28, 2025, thus beginning the 30-day public comment period. The last day to submit public comments is June 26, 2025. The Draft 2026 IUP notice was placed on Illinois EPA's general notice website <https://www2.illinois.gov/epa/public-notices/Pages/general-notices.aspx> and each of the identified stakeholders of the Clean Water State Revolving Fund (SRF) program were also notified by e-mail. The Agency expanded its outreach for comment on the IUP this year by also e-mailing additional special interest groups, consulting engineers, professional agencies/associations, and other funding agencies that either expressed an interest in, or are familiar with, the SRF loan programs. The notice directed potential commenters to Barb Lieberoff, Office of Community Relations as the Agency contact for receiving comments and questions pertaining to the Draft 2026 IUP.

The Illinois EPA received comments from the U.S. EPA on the draft FY2026 Intended Use Plans (IUPs). The feedback primarily focused on grammatical and formatting improvements. These changes have been incorporated to the extent feasible. The Agency appreciates U.S. EPA's review and will continue to collaborate closely as the IUP documents evolve to meet both federal expectations and the needs of Illinois communities.

The Nature Conservancy of Illinois recommends that Illinois EPA consider establishing a WPCLP sponsorship program—modeled after Ohio's Water Resource Restoration Sponsor Program (WRRSP)—to support nature-based, non-revenue-generating projects like wetland restoration and dam removal that enhance water quality and climate resilience. This approach could align with both short- and long-term IUP goals and may benefit from collaboration with the Illinois Finance Authority. Additionally, The Nature Conservancy of Illinois encourages the expansion of WPCLP long-term goals to explicitly include stormwater and highlight the environmental benefits of consolidation and regionalization. While recognizing the current prioritization of BIL emerging contaminant (EC) funds for drinking water, The Nature Conservancy of Illinois urges future consideration of EC projects under WPCLP, given their broader impact on water quality. Finally, enhanced technical assistance is needed to help small and disadvantaged communities design innovative, green, and resilient wastewater and stormwater solutions—especially those navigating consolidation or regulatory compliance challenges.

The Illinois Environmental Council and partner organizations urge Illinois EPA to reconcile its targeting of small and disadvantaged communities under the WPCLP, noting that current rules often favor very small, predominantly white communities without centralized systems, while large systems like Chicago and MWRD—serving most the state's disadvantaged populations—receive disproportionately less support. To address this, they recommend revising affordability criteria to include more flexible spatial boundaries, broader social and environmental indicators, and increased principal forgiveness for communities with the greatest need. They also call for equity assessments of the scoring system and adjustments that allow large systems to receive targeted subsidies for their most burdened customers. Additionally, they advocate for prioritizing green infrastructure and nature-based solutions by reserving a greater share of funds, offering 0%

interest loans, and increasing principal forgiveness for these projects to enhance climate resilience and long-term water quality benefits.

The City of Chicago submitted comments as well. They were requesting their project, L17-6152, to be reconsidered for additional points. The Agency reviewed their comments and determined the “Unsewered Community” justification did not hold, and the loan application that was submitted was deemed incomplete for additional points.

The Agency also received comments from the Alliance for the Great Lakes. The Alliance encourages the Illinois SRF to leverage the fund to raise additional capital. The Agency just completed its leveraging exercise in 2025 and look to make those funds available in FY2026. However, significant ramp up in staff would be required to meet additional funding obligations and that would still not be enough to meet the true requirements for water infrastructure around the state.

The Agency serves all citizens of Illinois and recognizes the wide-ranging characteristics of the approximately 1,300 communities across the state. Notably, about 83% of these communities serve fewer than 10,000 residents, and nearly half serve fewer than 1,000. Income levels and economies of scale are critical factors in determining the affordability of utility services. While most communities include residents with varying income levels, utilities typically apply a uniform rate structure to all customers, regardless of individual financial circumstances. As a result, when a loan is issued to a community, the responsibility for repayment is shared equally among all ratepayers.

The Agency considers these and other factors when developing policies and allocating resources. Given the finite availability of SRF funding each year, the Agency remains committed to strategies that maximize the impact of these funds across as many Illinois communities as possible.

Appendix E
2026 Water Pollution Control Loan Program – Project Priority List

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Illinois EPA Water Pollution Control Loan Program (WPCLP) FY2026 Intended Funding List (IFL)

Funding Reserved for Projects on the IFL through December 31, 2025

Loan Applicant	Project Description	L17#	Estimated Construction Start Date	Projected Loan Amount	Estimated Principal Forgiveness	Points
Carterville	New WWTP.	6071	8/1/2025	\$ 40,000,000	\$ 6,000,000	885
Holiday Shores S.D.	Sanitary System Upgrades	6598	1/1/2025	\$ 1,770,000	\$ 265,500	775
Sauget	WWTP and Pump Station Improvements.	7257	10/1/2025	\$ 11,000,000	\$ 4,950,000	720
LaSalle	Remove sludge from lagoon and treatment plant improvements.	6942	12/15/2025	\$ 4,377,000	\$ 1,313,100	685
Maeystown	WWTP Upgrades	7179	1/1/2025	\$ 2,045,000	\$ 613,500	660
German Valley	WWTP Improvements Phase II including influent pump station, new fine screen and manual bar screen, refurbish north and south lagoons.	6249	3/2/2026	\$ 1,604,000	\$ 481,200	650
Buckley	New wastewater collection system and treatment.	6282	8/15/2025	\$ 8,500,000	\$ 3,825,000	630
Buckley	New wastewater collection system and treatment.	7547	8/15/2025	\$ 8,500,000	\$ 3,825,000	630
Rantoul	Improvements will consist of upgrades to storm water pumping, primary clarification, tertiary filtration, solids handling, and general site and facilities.	7377	12/15/2025	\$ 10,200,000	\$ 3,060,000	610
Metropolitan Water Reclamation District of Greater Chicago	Contract No. 19-856-3E TARP Control System Replacement, SSA, CSA, NSA.	6037	1/16/2026	\$ 25,000,000	\$ -	600
Ursa	Conversion of the existing land applied treatment system to a stream discharge by adding two aerated lagoon cells and an aerated rock filter following the existing lagoon. The existing lagoon will remain in service. The effluent from the rock filter will be discharged into Ursa Creek.	4150	6/2/2025	\$ 4,000,000	\$ 1,800,000	590
Sparta	New sludge press at WWTP, lift station improvements, and remove and replace existing lift station.	7403	5/31/2025	\$ 1,134,350	\$ 340,305	590
Clifton	Lift station and WWTP upgrades	6736	10/1/2025	\$ 3,660,000	\$ 1,098,000	575
Ashmore	Complete Sewer System including Treatment facility.	6567	2/28/2026	\$ 5,210,229	\$ 2,344,603	550
DuQuoin	WWTP Improvement.	6917	10/31/2025	\$ 11,047,797	\$ 4,971,509	535
West Frankfort	Sanitary Sewer Collection Rehab	7324	2/28/2026	\$ 1,549,275	\$ 697,174	510
Milan	WWTP upgrades.	3608	1/26/2026	\$ 35,000,000	\$ 6,000,000	500
Peoria	Project to reduce CSO discharges to the Illinois river, including green infrastructure and storage.	5914	3/1/2026	\$ 13,159,000	\$ -	495
Mason	Sewer Lining and Appurtenances.	7307	10/1/2025	\$ 215,080	\$ 96,786	485
Windsor	Wastewater System Improvements	7255	11/15/2025	\$ 1,000,000	\$ 450,000	480
Kishwaukee Water Reclamation District	WWTP Improvements.	7161	11/20/2025	\$ 26,000,000	\$ 6,000,000	475

Loan Applicant	Project Description	L17#	Estimated Construction Start Date	Projected Loan Amount	Estimated Principal Forgiveness	Points
Moline	WWTP Improvements.	4362	8/1/2025	\$ 120,000,000	\$ -	470
Byron	WWTP Improvements.	4253	2/1/2026	\$ 30,000,000	\$ 4,500,000	465
Cairo	Replacement of combination Storm/Sanitary Sewers at 7 locations throughout Cairo.	7238	9/1/2025	\$ 1,988,680	\$ 1,193,208	460
Quincy	Project includes two flow restriction structures on the Whipple Creek combined sewer to store water in the upstream sewer segments.	7360	9/1/2025	\$ 1,230,680	\$ 184,602	455
Geneva	Replacement of existing 20" sewer river crossing with two new 20" sewers crossing same river. New influent screen and new screening building.	6225	9/15/2025	\$ 10,700,000	\$ -	455
Lockport	WWTP Expansion Phase 2.	4455	12/14/2025	\$ 60,000,000	\$ -	455
Palmyra	Improve collection and treatment systems.	6811	10/15/2025	\$ 4,000,000	\$ 1,800,000	450
Ottawa	New WWTP Phase 1.	6297	2/2/2026	\$ 33,000,000	\$ 4,950,000	440
South Fork S.D.	WWTP and collection system improvements.	6792	8/1/2025	\$ 2,190,680	\$ 328,602	440
Ridgway	Sewer replacement and Lagoon improvements.	6121	2/1/2026	\$ 1,700,000	\$ 1,020,000	440
Barrington	WWTP Improvements.	3620	3/13/2026	\$ 50,500,000	\$ -	430
St. Jacob	Lining of Village Sanitary Sewer.	4377	11/17/2025	\$ 1,250,000	\$ 187,500	430
Wood River	Phase II - Storm Water detention facility expansion	7095	4/1/2024	\$ 5,000,000	\$ 750,000	420
Markham	The proposed project involves the rehabilitation of the combined sewer system within the Phase 1 area of the East side neighborhood.	6396	10/13/2025	\$ 2,500,000	\$ 750,000	415
Shumway	Installation of appx 13,700 LF of Sanitary Sewer Force Main.	6754	3/1/2026	\$ 1,000,000	\$ 300,000	415
Harristown	Construction of appx. 874 LF of 8" sanitary sewer, appx 570 LF of 6" force main, valves, manholes, lagoon cleaning, blowers, splash pads, aeration system for lagoons, erosion control, electrical work, seeding, lift station upgrades, and appurtenances. Installing appx. 26,300 LF of 4" PVC force main, including appx. 500 LF of bore, lift station upgrades.	6961	12/1/2025	\$ 2,507,625	\$ 752,288	410
Itasca	North Side Infrastructure Improvements Phase 3.	6246	3/1/2026	\$ 8,400,000	\$ -	405
Momence	WWTP Improvements.	6232	12/18/2025	\$ 32,100,000	\$ 6,000,000	405
	Total of Projects on the FY2026 IFL			\$ 583,039,396	\$ 70,847,876	

Illinois EPA Water Pollution Control Loan Program (WPCLP) FY2026 Project Priority List

SCORED PROJECTS BUT FUNDS EXHAUSTED

Loan Applicant	Project Description	L17#	Estimated Construction Start Date	Projected Loan Amount	Points
Metropolitan Water Reclamation District of Greater Chicago	Contract 19-375-3P Phosphorus Removal, KWRP.	6032	8/20/2025	\$ 5,400,000	400
Warren	Replace Existing Sewer Line along Warren St- Phase II	4478	3/1/2026	\$ 2,593,000	395
Carrier Mills	The Village is proposing to make improvements to their sanitary sewage treatment plant to address current deficiencies and prevent harmful sewage overflows.	6527	2/1/2025	\$ 3,700,000	395
Macomb	WWTP Improvements	5757	9/1/2025	\$ 3,500,000	390
Dieterich	Sewer Lining	7476	3/1/2026	\$ 1,288,543	390
Salt Creek Sanitary District	Phase 2 WWTP Improvements.	6124	11/17/2025	\$ 48,000,000	385
Mount Morris	Replacement of the Village's West Lift Station and Appx. 2200 LF of 8" sanitary forced main along W. Brayton Road and S. McKendrie Road.	1625	9/1/2025	\$ 1,850,000	385
Olmsted	The project consists of improvements to the Front Street Lift Station, the Route 37 Lift Station, and the Cedar Street Lift Station. The rehabilitation includes replacement of force mains, new pumps, new controls, electrical services, new jib crane with hoist, and minor embankment modifications to the lagoon at the sewage treatment plant.	6030	9/17/2025	\$ 770,000	365
Moweaqua	STP Improvements.	6291	3/15/2026	\$ 2,640,000	365
Gifford	New Manual basket screen structure, refurbishment of lagoon cell #1 level control structure, refurbishment of lagoon cell #2 level control structure, new replacements blowers, refurbishment of existing sand filters, and miscellaneous valves replacement.	7217	8/31/2025	\$ 1,200,000	360
Danville Sanitary District	WWTP Improvements	7336	12/15/2025	\$ 9,867,000	360
Morton	WWTP improvements at Plant #2.	7370	6/1/2025	\$ 34,765,569	355
Moweaqua	Sewer System Improvements in Basin 1. Phase 2	6292	3/15/2026	\$ 8,770,000	355
Thorn Creek Basin S.D.	WWTP Improvements.	6749	3/23/2026	\$ 78,840,000	350
Northern Moraine Wastewater Reclamation District	Holiday Hills/Le Villa Vaupell Sewer Extension Phase 3.	6165	3/1/2026	\$ 6,700,000	345
Havana	Update WWTP facilities including grit system, screening system, air piping and diffusers, secondary clarifiers, and digester tank. Project also includes handrails and repairing splitter chamber walls.	4655	3/1/2026	\$ 3,000,000	345
Le Roy	WWTP Improvements	7286	12/15/2025	\$ 15,000,000	345
Leaf River	WWTP Improvements.	5705	11/1/2025	\$ 6,000,000	340
Metropolitan Water Reclamation District of Greater Chicago	Contract 21-092-3P Battery E Activated Sludge Facility.	7090	9/3/2025	\$ 368,000,000	340

Loan Applicant	Project Description	L17#	Estimated Construction Start Date	Projected Loan Amount	Points
Glendale Heights	Converting existing Chlorine gas disinfection system to UV disinfection.	6097	12/1/2025	\$ 4,000,000	340
Bloomington and Normal Water Reclamation District	Improvements to WWTP headworks facility.	7144	9/24/2025	\$ 20,000,000	335
Dallas City	Replace and relocate Lift Station #4 and #6.	6083	11/17/2025	\$ 3,500,000	335
Romeoville	WWTP Improvements.	6025	11/21/2025	\$ 9,800,000	335
Staunton	Pump station rehabilitation and installation of new sanitary force main.	7379	7/14/2025	\$ 3,270,000	330
Belleville	A replacement of a portion of the sanitary sewer on LaSalle Street will be constructed. The project will consist of the removal and replacement of approximately 540 feet of 12-inch sanitary sewer, three new manholes, sewer laterals, and construction site restoration.	5833	12/1/2025	\$ 500,000	325
Stillman Valley	Construct 3,636 feet of new sewer and cured-in-place lining of 1,140 feet of sewers.	6133	10/1/2025	\$ 1,676,000	320
Mattoon	Phase 1 consists of rehabilitating the existing primary digester and performing digester gas safety upgrades. These upgrades will replace equipment that is past its useful life, reduce venting gas, and improve safety.	3552	10/1/2025	\$ 2,000,000	315
Greenville	Improvements to the city's sludge storage tank, clarifiers and headworks at the WWTP.	2907	12/1/2025	\$ 3,010,000	310
Germantown Hills	Replacement of traveling bridge sand filters with disk filters and removal and replacement of motor control center and aeration system blower. Project will also include addition of overhead doors, man doors, and interior walls.	3977	2/1/2026	\$ 1,500,000	295
Chicago	Continuation of annual sewer improvement program.	6152	3/1/2026	\$ 63,030,662	285
Springfield	The project will improve the structural stability of the existing sewer mains by rehabilitating the pipes with cured-in-place pipe lining.	7124	1/5/2026	\$ 2,300,000	285
Oregon	WWTP Improvements.	6940	10/15/2025	\$ 9,500,000	275
Northern Moraine Wastewater Reclamation District	Darrell Road Collection System Phase 1B.	5823	3/1/2026	\$ 6,813,000	270
Lena	Phase 1 WWTP improvements.	7118	3/1/2026	\$ 4,000,000	270
Chatsworth	WWTP and Lift Station Upgrades	6170	11/1/2025	\$ 2,000,000	260
Kincaid	Phase 2 collections system rehab and pipe lining.	5980	11/1/2025	\$ 2,800,000	255
Wheaton S.D.	Sludge Dewatering Improvements Projects	4723	3/31/2026	\$ 13,000,000	255
Metropolitan Water Reclamation District of Greater Chicago	Contract No. 23-173-3S Southwest Side Intercepting Sewer 15, 16, and 17B Rehabilitation.	7214	12/16/2025	\$ 12,000,000	250
Metropolitan Water Reclamation District of Greater Chicago	Contract 23-416-2S, Kirie-Egan Solids Pipeline Rehabilitation Section No.1	6812	7/1/2025	\$ 4,800,000	250
Metropolitan Water Reclamation District of Greater Chicago	Contract No. 12-369-3S Upper Des Plaines Intercepting Sewer 11D Rehabilitation.	5610	9/19/2025	\$ 7,750,000	250
Metropolitan Water Reclamation District of Greater Chicago	Contract 19-156-2E Low Voltage Pump & Blower Switchgear and Aerated Grit MCC Replacement.	5904	11/28/2025	\$ 6,750,000	250

Loan Applicant	Project Description	L17#	Estimated Construction Start Date	Projected Loan Amount	Points
Metropolitan Water Reclamation District of Greater Chicago	Contract 19-154-3E Low Voltage Switchgear Replacement, Mainstream Pumping Station.	6921	12/26/2025	\$ 9,000,000	250
South Beloit	Extension of a new gravity sewer main to serve appx. 123 unsewered properties and upgrades to an existing lift station, as well as the implementation of a smaller lift station for the project.	6382	1/15/2026	\$ 9,089,676	250
Northern Moraine Wastewater Reclamation District	NMWRD Solar Project - project includes building a solar array located south of the existing WWTP site on property owned by the district.	6371	3/1/2026	\$ 3,421,000	245
Northern Moraine Wastewater Reclamation District	Construction of a headworks facility at the District's WWTP to accommodate the new Darrell Road Interceptor Sewer (Phase 1B)	2930	3/1/2026	\$ 8,518,000	240
Chester	WWTP Improvements.	3545	7/1/2025	\$ 1,920,225	240
Northern Moraine Wastewater Reclamation District	NMWRD UV Disinfection Project	6372	3/1/2026	\$ 1,900,000	220
Glendale Heights	Primary Clarifiers Rehab Project.	6099	5/1/2025	\$ 3,500,000	220
Fox Lake	Sewer main relocation to accommodate new watermain.	7434	12/1/2025	\$ 1,400,000	165
Projects with Planning Approval but Funds Exhausted				\$ 824,632,675	

NOT SCORED PROJECTS: PROJECTS WITH PLANNING APPROVAL - ESTIMATED CONSTRUCTION START AFTER MARCH 31, 2026

Loan Applicant	L17#	Project Description	Estimated Construction Start Date	Projected Loan Amount	NPDES Permit #
Addison	7289	North WWTP Expansion and Upgrades Project.	7/1/2026	\$ 118,800,000	IL0033812
Addison	7290	New raw sewage pump station will be constructed at the AJL WWTP site.	7/1/2027	\$ 34,500,000	IL0027367
Addison	7291	Two 20" dual force mains will redirect flow from the AJL Pump Station and WWTP to the North WWTP for expanded and upgraded biological treatment and elimination of the AJL WWTP discharge.	3/15/2028	\$ 18,000,000	IL0033812
Belleville	5834	The project includes approximately cleaning and video recording of 11,000 feet of 6 to 24in diameter sewer main that would be lined with a cured-in-place-pipe system. The project also includes point repairs to the sewer mains and repairs and lining for approximately 71 manholes.	5/1/2026	\$ 2,750,000	IL0021873
Bloomington and Normal Water Reclamation District	7145	WWTP Improvements.	6/2/2027	\$ 40,000,000	IL0027731
Chicago	7070	Continuation of Annual Sewer Lining Program Year 2	7/20/2026	\$ 63,000,000	
Cuba	6125	WWTP Improvements.	5/1/2026	\$ 3,718,605	IL0570300
Dakota	6395	WWTP Improvements.	3/22/2027	\$ 752,000	IL0028304
East Dubuque	6919	Hiawatha Lift Station Replacement & Family Beer Lift Station Replacement.	7/1/2026	\$ 1,006,021	IL0025186
East Dubuque	6915	Indian Hills Sanitary Sewer Extension Phase 2: Sanitary sewer extension to an unsewered residential area.	7/1/2026	\$ 1,774,000	IL0025186
Elkhart	0472	New WWTP and collection system.	8/1/2026	\$ 13,002,000	
Flagg Creek W.R.D.	6306	STP Improvements.	10/1/2026	\$ 55,000,000	IL0022586
Forrest	6390	Krack Street lift station improvements	11/1/2026	\$ 1,460,000	0028819
Galesburg S.D.	6581	WWTP Improvements.	1/4/2027	\$ 20,000,000	IL0023141
Glen Carbon	4893	Construction of Interceptor Pump Station No. 2 and forcemain to the IL American Water Company (Granite City) sewer system.	6/1/2026	\$ 8,000,000	
Hoopeston	6587	Improvements to oxidation ditch, 2 secondary clarifiers, STP outfall structure, excess flow pump station, and influent flow splitter. Project will also replace preliminary screening headworks, add a new secondary flow splitter and additional secondary clarifier.	8/1/2026	\$ 11,112,000	IL0024830
Hoopeston	6588	WWTP Upgrades.	8/1/2027	\$ 11,112,000	IL0024830
Hoopeston	6589	Construction of former 40' dia. secondary clarifier for use as aerobic digester and miscellaneous plant improvements.	8/1/2028	\$ 876,000	IL0024830
Itasca	6247	Northside Infrastructure Improvement Phase 4.	3/1/2027	\$ 8,500,000	No info provided.
Jacksonville	5941	WWTP Improvements Phase 2.	12/1/2026	\$ 20,000,000	IL0021661
Jacksonville	5942	WWTP Improvements Phase 3.	1/1/2032	\$ 15,000,000	IL0021661
Joliet	6073	WWTP Improvements.	3/15/2027	\$ 123,000,000	IL0033553
Kankakee River Metropolitan Agency	6755	WWTP Improvements.	4/26/2027	\$ 149,340,000	IL0021784
Kincaid	5981	Collections system improvements Phase 3.	11/1/2026	\$ 1,400,000	IL0048607
Ludlow	6600	New wastewater collection and treatment system.	8/1/2026	\$ 9,916,000	
Manhattan	3024	WWTP Expansion.	6/15/2026	\$ 42,000,000	IL0020222
Markham	6397	The proposed project involves the rehabilitation of the combined sewer system within the Phase 2 area of the East side neighborhood.	10/13/2026	\$ 3,785,967	

Loan Applicant	L17#	Project Description	Estimated Construction Start Date	Projected Loan Amount	NPDES Permit #
Markham	6398	The proposed project involves the rehabilitation of the combined sewer system within the Phase 3 area of the East side neighborhood.	10/13/2027	\$ 2,925,468	
Markham	6399	The proposed project involves the rehabilitation of the combined sewer system within the Phase 4 area of the East side neighborhood.	10/11/2028	\$ 2,927,561	
Markham	6400	The proposed project involves the rehabilitation of the combined sewer system within the Phase 5 area of the East side Neighborhood.	10/9/2029	\$ 2,492,052	
Metropolitan Water Reclamation District of Greater Chicago	0384	Contract 19-255-3D Rehabilitation of Pump and Blower House.	4/30/2026	\$ 18,000,000	IL0028061
Metropolitan Water Reclamation District of Greater Chicago	7206	Contract 23-417-3S, Kirie-Egan Solids Pipeline Rehabilitation Section no. 2.	5/15/2026	\$ 12,500,000	IL0036340
Metropolitan Water Reclamation District of Greater Chicago	7207	Contract no. 20-162-3S West Side Intercepting Sewer No. 2 Rehabilitation.	6/5/2026	\$ 3,000,000	IL0028053
Metropolitan Water Reclamation District of Greater Chicago	0389	Contract 19-257-2D 6th Street Construction and Utility Tunnel Rehabilitation at Calumet WRP.	6/12/2026	\$ 5,000,000	IL0028061
Metropolitan Water Reclamation District of Greater Chicago	7256	MWRDGC Contract 23-418-3S, Kirie-Egan Solids Pipeline Rehabilitation Section No. 3	6/25/2027	\$ 13,500,000	IL0036340
Metropolitan Water Reclamation District of Greater Chicago	6217	MWRDGC Contract 16-129-3D Battery C Final Settling Tanks, Rehabilitation of Concrete.	9/15/2027	\$ 20,000,000	IL0028053
Metropolitan Water Reclamation District of Greater Chicago	5890	Contract 18-253-3P Digester Rehabilitation and Gas Piping Replacement.	3/21/2031	\$ 20,000,000	IL0028061
Mount Morris	6573	Replacement of South Side Lift Station on McKendrie Avenue and approximately 90 feet of 12-inch diameter sanitary sewer and 1,450 feet of 6-inch diameter sanitary force main on Center Street and Ogle Avenue.	7/1/2026	\$ 1,354,050	IL0030031
Mount Morris	6574	Rehabilitation of approximately 28,900 feet of existing 8-inches sanitary sewer using a cured-in-place liner and rehabilitation of existing sanitary manholes with a cement/fiberglass spray-on liner.	7/1/2027	\$ 4,048,650	IL0030031
Mount Morris	6575	Replacement of sanitary sewer on Wesley Avenue from Mckendrie Avenue to IL Route 64 and replacement of sanitary sewer on McKendrie Avenue for the WWTP influent lift station to Center Street.	7/3/2028	\$ 3,503,250	IL0030031
Naperville	4134	City of Naperville Springbrook Water Reclamation Center - Nutrient Removal Upgrades and North Plant Aeration Improvements.	4/1/2026	\$ 58,000,000	IL0034061
New Lenox	6009	Construct conveyance modifications to convey flow from the existing STP no.1 to the new WRRF.	8/17/2026	\$ 26,800,000	IL0020559
New Lenox	6010	Construct conveyance modifications to convey flow from the existing STP to the new WRRF. The existing STP 1 will be decommissioned and a new 30.9 million gallon per day STP 1 Pump Station and forcemain will be constructed at the site. The force main will discharge to a new gravity interceptor (L17-6009), which discharges to the new WRRF (L17-1185).	5/19/2027	\$ 18,600,000	IL0020559
Oglesby	7045	Construction of sludge handling facilities, excess flow facilities, new outfall sewer and other improvements.	5/22/2026	\$ 23,000,000	IL0024996
Ottawa	7391	Lift station and WWTP Improvements Phase 2.	2/1/2027	\$ 27,000,000	IL0030382
Quincy	4137	Phase 2 WWTP Rehabilitation.	4/5/2026	\$ 4,500,000	IL0030503
Quincy	4138	Phase 3 WWTP Rehabilitation.	4/5/2027	\$ 3,500,000	IL0030503
Quincy	7361	Project includes a flow restriction structure on the Cedar Street combined sewer to store water in the upstream sewer.	10/1/2028	\$ 3,898,180	IL0030503
Roselle	6366	Delvin WWTF Biological Phosphorus Removal and Expansion Project.	4/1/2026	\$ 55,000,000	IL0030813

Loan Applicant	L17#	Project Description	Estimated Construction Start Date	Projected Loan Amount	NPDES Permit #
Sangamon County Water Reclamation District	7239	Improvements to CSO treatment at SCWRD's Sugar Creek WWTP.	11/1/2026	\$ 15,877,000	IL21971
Sangamon County Water Reclamation District	7242	Improvements within SCWRD's Spring Creek Combined Sewer Service Area collection system.	11/1/2026	\$ 23,842,000	IL21989
Sangamon County Water Reclamation District	7240	Sewer Separation at the State Fairgrounds.	11/1/2028	\$ 10,516,000	IL21989
Sangamon County Water Reclamation District	7241	Improvements to the CSO treatment at SCWRD's Spring Creek WWTP Include.	11/1/2028	\$ 40,164,000	IL21989
Shelbyville	6021	Phase 2 - Modifications of southwest CSO facilities lagoons.	10/1/2026	\$ 2,000,000	IL0021890
Shelbyville	6022	Phase 3 - Cleaning, televising, CIPP lining of 60" combined sewer interceptor, and rehabilitation of pump stations.	10/1/2027	\$ 17,325,000	IL0021890
South Beloit	3562	Demolition and elimination of two existing lift stations and replacing them with a singular station which will handle the respective flow of Wastewater. Includes installation of new gravity sewer and boring of new force main from the new lift station under the Rock River and the CP railroad.	7/1/2026	\$ 7,700,000	IL 0021156
South Beloit	7112	This proposed project will include the construction and installation of equipment at the existing WWTP to allow the production of USEPA 502 regulation Class A Biosolid.	7/1/2026	\$ 3,700,000	IL0021156
Troy	5506	Replacement and Expansion of Existing Treatment Facility and upgrades to the Collection System to address hydraulic capacity and I/I.	1/15/2028	\$ 46,000,000	IL0031488
Urbana and Champaign Sanitary District	7093	WWTP Improvement.	1/2/2027	\$ 19,149,000	IL0031500
Villa Park	5668	Sewer Separation including construction of appx 9,000 LF of separate storm sewers.	6/1/2026	\$ 19,100,000	IL0033618
Villa Park	5667	Sewer Separation including construction of appx. 4,000 LF of separate storm sewers.	6/1/2026	\$ 6,600,000	IL0033618
Wilmette	6042	Five-Year Sewer Lining Project: Phase II	3/8/2027	\$ 1,640,000	
Wilmette	6141	5-Year Sewer Lining Project- Phase III	3/12/2029	\$ 1,640,000	

Projects with Construction Start Date after 3/31/26

\$ 1,322,606,803

NOT SCORED PROJECTS: PROJECTS WITHOUT PLANNING APPROVAL AS OF 3/31/2025

Loan Applicant	L17#	Project Description	Estimated Construction Start Date	Projected Loan Amount	NPDES Permit #
Airview Mobile Home Park	7177	Connecting 57 Mobile Homes to City of Milan WWTP and decommissioning existing private STP.	8/1/2024	\$ 700,000	IL0052825
Alexis	7279	Cleaning and televising sewer collection system and sewer lining.	3/1/2026	\$ 2,000,000	IL0021211
Alexis	7280	Construction of new wastewater lagoon treatment plant.	1/15/2027	\$ 6,000,000	IL0021211
Allendale		Install new flow meter and remove sludge at North facility	9/8/2025	\$ 500,000	IL1850050
Auburn	7629	Phase 1 - New headworks and activated sludge treatment with chemical phosphorus removal improvements; lagoon rehab and replacement of lift station	2/28/2027	\$ 17,270,000	IL0022403
Auburn	7630	Phase 2 - Rehab collection system, including 5 lift stations	2/28/2029	\$ 3,110,000	IL0022404
Batavia	7489	WWTP Upgrades.	7/1/2029	\$ 72,000,000	IL0022543
Belleville	7595	On-site CSO treatment and lift station renovation at the 88th Street Lift Station.	12/1/2025	\$ 1,600,000	IL0021873
Belvidere	7435	WWTP Improvements.	8/1/2026	\$ 22,708,000	IL0027685
Bloomington	4697	Converting activated sludge process to biological nutrient removal.	1/31/2026	\$ 8,300,000	IL0021130
Bloomington and Normal Water Reclamation District		CSO 13 Elimination	2/1/2026	\$ 37,000,000	IL0027731
Bloomington and Normal Water Reclamation District		Wood St. CSO Separation.	4/1/2026	\$ 8,500,000	IL0027731
Bloomington and Normal Water Reclamation District		Northwest Interceptor & North Normal Pump Station	10/1/2026	\$ 40,000,000	IL0027731
Breese	6207	Construction of WWTP improvements including replacement of the existing terminal lift station, and the addition of a moving bed biofilm reactor, tertiary filtration, and UV disinfection.	8/15/2025	\$ 8,500,000	IL22772
Burlington	6933	New WWTP and collection system.	4/1/2026	\$ 16,300,000	IL0078387
Bushnell		Convert existing West STP aerated lagoon to a covered aerated lagoon system with mechanical screening at the influent pump station and a nitrogen polishing reactor at the discharge.		\$ 5,000,000	IL0024384
Campbell Hill	7479	WWTP improvements.	9/1/2025	\$ 877,000	ILG5800044
Caseyville Township		Improvements to collections system near the East Plant and potentially at other targeted areas in the plant's sewershed.	11/1/2026	\$ 6,000,000	IL0021083
Channahon	7251	Construct new influent sewers and new wastewater treatment plant with biological nutrient removal, effluent piping, and outfall.	7/7/2027	\$ 47,275,000	Pending
Chester		Reconstruction of Lift Station no. 1, new generator, and related appurtenances.	7/1/2026	\$ 3,150,900	IL0072931
Coffeen	7518	Sanitary sewer lining and spot repairs.	2/28/2026	\$ 163,000	ILG580243
Danville	7023	Collection System Improvements Phase 1.	4/29/2026	\$ 7,006,781	
Davis Junction	6761	Phase 1: New submersible lift station, 10,850 feet of 12" sanitary forcemain, 13,905 feet of 8", 12", 15", 18" sanitary sewer to serve unsewered areas along IL Route 72 near I-39 including the Knoll's Edge subdivision.	3/1/2027	\$ 7,737,000	IL0071064
Davis Junction	6762	Phase 2: Construct a new submersible lift station, 1,540 feet of 4" sanitary forcemain, and 11,000 feet of 8" sanitary sewer to serve unsewered residential areas west of IL 72 and I-39.	3/1/2027	\$ 4,053,000	IL0071064
Decatur	7570	Provide a 5year storm recurrence interval level of protection for Lost Bridge North and Florian Basins.	5/31/2028	\$ 13,600,000	
Decatur, Sanitary District of	7557	Rehabilitation of the eastside interceptor sewer and manholes using cured in place pipe lining and cementitious manhole lining.	6/1/2026	\$ 5,593,680	IL0028321
Dowell		New WWTP.	3/1/2026	\$ 2,370,000	
East Moline	7626	WWTP improvements.	6/1/2028	\$ 65,000,000	IL0028550

Loan Applicant	L17#	Project Description	Estimated Construction Start Date	Projected Loan Amount	NPDES Permit #
Edwardsville	6920	Replace 9,300 LF of sanitary sewer and remove a constructed overflow pipe	8/31/2025	\$ 8,300,000	IL0026310
Energy	6950	Rehab of four existing lift stations, sewer system extension, and lagoon improvements.	9/15/2025	\$ 2,300,000	ILG580117
Flora	7368	New WWTP	2/1/2026	\$ 27,813,000	IL0020273
Forrest	6530	WWTP improvements	9/1/2025	\$ 2,180,000	0028819
Fox River Water Reclamation District	7327	Replacement of RAS screw pumps and WAS telescoping valves with new RAS/WAS pump station at the Albin D. Pagorski WRF.	2/1/2026	\$ 7,441,000	IL0028657
Fox River Water Reclamation District	7541	Electrical Equipment improvements at the Albin D. Pagorski Plant and North Plant.	6/1/2026	\$ 32,300,000	IL0028665, IL0028657
Fox River Water Reclamation District		Ferric Chloride Dosing System Project.	2/1/2026	\$ 3,400,000	IL0028657
Freeport	6929	Stormwater Improvements.	7/1/2027	\$ 1,000,000	IL0023591
Freeport	6930	Stormwater Improvements.	7/1/2027	\$ 3,500,000	IL0023591
Freeport	6931	Stormwater Improvements.	7/1/2028	\$ 1,600,000	IL0023591
Freeport		Stormwater Improvements.	7/1/2029	\$ 1,500,000	IL0023591
Freeport	6928	Stormwater improvements.	7/1/2026	\$ 850,000	IL0023591
Freeport	6927	Rehab of S. Benton/E. Jackson outfall channel and E. Linden Street outfall system to include channel bank stabilization, outfall structure rehab and reinforcement under the railroad to the Pecatonica River.	10/1/2025	\$ 1,800,000	IL0023591
Geneva	6226	Critical solids handling and disinfection improvements to maintain operation of the Geneva WWTP.	5/1/2026	\$ 53,000,000	IL0020087
Glenbard Wastewater Authority	7447	WWTP Improvements. Primary Sludge Direct Digester Feed Project consists of re-routing the primary sludge force main discharge directly to the first stage anaerobic digesters.	6/1/2026	\$ 756,913	IL00215547
Glenbard Wastewater Authority	7448	Project will consist of a replacement of the existing mechanical screen with a finer mechanical bar screen, replacement of (4) raw sewage pumps and motors, replacement of (2) existing aerated grit blowers, replacement of (2) CSO clarifier mechanisms, and upgrades to the chlorine disinfection process.	6/1/2028	\$ 15,925,216	IL0022471
Glenbard Wastewater Authority	7473	Replacement of (3) Archimedes Screw Pumps.	6/1/2026	\$ 5,133,223	IL0021547
Glenbard Wastewater Authority	7474	Replacement of (4) 135' diameter final clarifiers and appurtenances.	5/1/2026	\$ 8,290,830	IL0021547
Godley Public Water District		Provide a municipal sewer collection system for the residents of the Village of Godley.	3/1/2026	\$ 7,900,000	IL0054992
Grand Ridge	7443	Provide collection system and treatment plant to unsewered community.	8/3/2026	\$ 8,017,000	
Greenup		The Project will line appx 8,000 LF of sanitary sewers and associated manholes.	1/31/2027	\$ 1,500,000	ILG580065
Greenville		City of Greenville WWTP proposed improvements include an influent screen, drying beds, nutrient removal equipment, and appurtenances in the City of Greenville.	12/1/2025	\$ 3,000,000	IL0026268
Jonesboro	6049	Lagoon Improvements including new flow meters, bar screen, aerators, access bridge and electrical components will be installed. The lagoon bank will then be stabilized, and rip rap will be added.	3/1/2026	\$ 1,885,000	IL0029319
Kingston	7328	WWTP and lift station Improvements.	3/31/2026	\$ 6,013,000	
Kishwaukee Water Reclamation District	7632	Extend sanitary sewage treatment and conveyance service to the Villages of Waterman and Shabbona and the Shab-eh-nay reservation through construction of a pump station.	11/20/2026	\$ 19,000,000	IL0023027
Lawrenceville		New 0.9 MGD activated sludge treatment plant.	1/1/2027	\$ 20,000,000	IL0029467
Lena	7031	Multiple Stormwater works to address stormwater quality.	9/1/2025	\$ 1,041,570	IL0024945
Lena	7032	Installing Box Culvert to direct stormwater to wet retention pond mentioned in project 1.	7/1/2026	\$ 2,652,256	IL0024945
Lena	7033	Various stormwater improvements that add to projects 1&2.	7/1/2027	\$ 1,310,992	IL0024945
Lena	7034	Stormwater Improvements to improve water quality.	7/1/2028	\$ 1,510,890	IL0024945
Litchfield		WWTP Upgrades.	10/1/2026	\$ 23,000,000	IL0020621

Loan Applicant	L17#	Project Description	Estimated Construction Start Date	Projected Loan Amount	NPDES Permit #
Marshall		The project will involve making necessary improvements to the City's WWTP and collection system, including the addition of aeration to the city's WW lagoon and also lining existing collection sewers.	8/15/2026	\$ 2,500,000	IL0068365
Maryville	7568	Sanitary Sewer lining of VCP sewers/brick manholes in Old Town area.	2/1/2027	\$ 825,000	
Metropolis	7081	Project will complete the combined sewer separation work approved in the Long Term Control Plan.	8/1/2025	\$ 17,144,550	IL0029874
Metropolis	7661	New Wastewater Treatment Facilities.	7/1/2028	\$ 29,850,000	IL0029874
Metropolitan Water Reclamation District of Greater Chicago	6038	Contract 12-245-3P Fermentation and Ancillary Facilities for Biological Phosphorus Removal, Calumet WRP.	2/1/2033	\$ 6,000,000	IL0028061
Montrose	7326	Construction of approximately 6,315 lineal feet of 8", 10", 12", 15", and 24" storm sewer pipe, 14 manholes, culverts, inlets, seeding, and appurtenances.	8/30/2025	\$ 180,000	IL0063096
Murphysboro		Project will repair and replace the failing sanitary sewer mains at the intersection of North 15th Street and Poplar Street.	5/1/2026	\$ 334,125	IL0023248
Murrayville	5462	Collection System and manhole upgrades.	10/20/2025	\$ 1,030,000	ILG580113
New Berlin	7645	Replace existing terminal lift stations pumps, connecting piping, control panel, HVAC, and appurtenances and install a generator to replace the single pump engine.	10/15/2025	\$ 651,000	ILG580171
Niantic		This project consists of regarding 37,500 LF of ditchline, installation of 5,500 LF of culvert, 8,500 LF of storm sewer, 38 storm sewer manholes, 20 sediment basin, and all appurtenances in the Village of Niantic, Macon County, IL.	2/1/2026	\$ 2,750,500	ILG580149
Northern Moraine Wastewater Reclamation District		Rehab of Waterford, Hale 1, Hale 2, & Walnut Glen lift stations.	8/1/2026	\$ 1,998,000	IL0031933
Ottawa	7348	WWTP Improvements. Phase 1.	10/1/2028	\$ 33,999,000	IL0030382
Ottawa	7349	WWTP Improvements Phase 2.	10/1/2029	\$ 33,999,000	IL0030382
Ottawa	7350	WWTP Improvements Phase 3	10/1/2030	\$ 6,368,000	IL0030382
Peoria, Greater Sanitary and Sewage Disposal District		Construction of a PFAS removal and destruction facility for landfill leachate.	11/3/2025	\$ 9,000,000	IL0021288
Pinckneyville	5257	New WWTP.	10/1/2026	\$ 25,000,000	IL0021997
Quincy		Construction of aerated static pile composting system for biosolids, landscape waste and paper, including waste stock shredding and conveying systems; aerated static pile structures, blowers and control equipment; and finished product screening, conveying and storage systems.	12/1/2026	\$ 4,000,000	IL0030503
Raymond		WWTP Improvements.	11/1/2026	\$ 2,500,000	IL0025381
Rock Falls	7475	WWTP Improvements.	12/2/2026	\$ 1,606,000	IL0078301
Rock Island	7660	Construct new mechanical bar screen, and new influent pump station and force main.	8/1/2025	\$ 4,500,000	IL0036382
Rutland	7218	Installation of sewer collection system in right of way throughout the Village and a wastewater treatment lagoon northeast of the Village.	10/1/2025	\$ 5,700,000	
Salem		Relining approximately 9,818 LF of sanitary sewer, appx. 234 LF of manhole lining, 4 manholes, traffic control, spot repairs, and all appurtenances in the City of Salem.	3/15/2026	\$ 200,000	IL0023264
Sandoval	7555	New Wastewater Treatment Plant.	10/1/2026	\$ 7,870,000	IL0030961
Sauget	7591	Construct new sludge dewatering building, and solids storage	10/1/2026	\$ 15,200,000	0065145
Scales Mound	7449	Sanitary sewer televising, cleaning, manhole replacement and rehabilitation.	4/1/2026	\$ 974,700	ILG580124
Spoon Valley Lake S.D.	7103	Extend sewers to Laurel Hill and Windemere Subdivisions.	4/1/2026	\$ 8,694,864	IL6580202
Steeleville - Percy Area Sanitary District		Consolidation of two WWTPs into one WWTP, new terminal lift station, and forcemain.	4/15/2027	\$ 5,500,000	IL0031241
Vandalia		The project consists of WWTP improvements including sludge removal, etc.	1/1/2026	\$ 3,000,000	IL0023574
Warrensburg	7551	Phase I - Water Improvements	3/15/2026	\$ 4,468,000	IL0034215

Loan Applicant	L17#	Project Description	Estimated Construction Start Date	Projected Loan Amount	NPDES Permit #
Warrensburg	7552	Phase 2 - STP Improvements	3/15/2027	\$ 11,000,000	IL0034215
Wauconda	6586	WWTP Improvements include phosphorus removal.	3/1/2026	\$ 22,000,000	IL 00202109
West Frankfort	7325	Sanitary Sewer Collection Rehab - Phase II	2/28/2027	\$ 1,200,000	IL0031704
Westville - Belgium S.D.	7600	WTP Upgrades	5/1/2026	\$ 5,066,000	IL0031721
Williamson	7213	Construct Sanitary Sewer collector system to serve unsewered community	8/1/2026	\$ 3,000,000	
Projects with No Planning Approval				\$ 964,343,989	

\$ 583,039,396	FY26 IFL WITH FUNDS RESERVED THROUGH DEC 31, 2025
\$ 824,632,675	PLANNING APPROVAL BUT FUNDS EXHAUSTED
\$ 1,322,606,803	PROJECTS WITH PLANNING APPROVAL AND ESTIMATED CONSTRUCTION START DATE AFTER MAR 31, 2026
\$ 964,343,989	PWSLP PROJECTS WITHOUT PLANNING APPROVAL PRIOR TO MAR 31, 2025
\$ 3,694,622,863	