

# Beneficial Use of Wastewater: Capital Grants for Demonstration Projects

Annual Report



Minnesota Pollution Control Agency

February 2010

## Legislative Charge

*Minn. Statutes § 116.195 Beneficial use of wastewater; Capital grants for demonstration projects; Subd. 5. Report. The agency shall report by February 1 of each year to the chairs of the House of Representatives and Senate committees with jurisdiction over environment policy and finance and capital investment on the grants made and projects funded under this section. For each demonstration project funded, the report must include information on the scale of water constraints for the area, the volume of treated wastewater supply, the quality of treated wastewater supplied and treatment implications for the industrial user, impacts to stream flow and downstream users, and any considerations related to water appropriation and discharge permits.*

History: 2008 c 179 s 37

*CHAPTER 172 - H.F. No. 1231, Article 2 Clean Water Fund; Sec. 4 Pollution Control Agency (c) \$1,500,000 the first year and \$3,169,000 the second year are for grants under Minnesota Statutes, section 116.195, to political subdivisions for up to 50 percent of the costs to predesign, design, and implement capital projects that use treated municipal wastewater instead of groundwater from drinking water aquifers, in order to demonstrate the beneficial use of wastewater, including the conservation and protection of water resources. Of this amount, \$1,000,000 the first year is for grants to ethanol plants that are within one and one-half miles of a city for improvements that reuse greater than 300,000 gallons of wastewater per day.*

## Author

James R. Anderson

## Estimated cost of preparing this report (as required by Minn. Stat. § 3.197)

Total staff time: 22 hrs.	\$1,320.00
Production/duplication	\$25.00
Total	\$1,345.00

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## Minnesota Pollution Control Agency

520 Lafayette Road North | Saint Paul, MN 55155-4194 | [www.pca.state.mn.us](http://www.pca.state.mn.us) | 651-296-6300  
Toll free 800-657-3864 | TTY 651-282-5332

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Document number: lrwq-wwtp-3sy10

# Summary

The Minnesota Pollution Control Agency (MPCA) has been charged to implement a beneficial reuse of wastewater pilot program. This demonstration program provides financial assistance for wastewater treatment improvements and upgrades to replace groundwater by treated wastewater in industrial processes such as: ethanol production, irrigation, process cooling, and other industrial and agricultural uses. Grants are provided to political subdivisions to undertake joint projects with industrial and agricultural producers. The target date for offering the first grants is March 2010. The program is set forth in MN Stat. § 116.195 and also in House File No. 1231, Chap. 172, Art 2; Sec. 4 (2009). As required by the 2009 legislation, there will be two program tracks for awarding demonstration project grants:

- 1) Ethanol set-aside track
- 2) General track

## Ethanol set-aside track

### Award of design grants

The MPCA will offer combined project pre-design and design grants to political subdivisions that comply with the special conditions of H.F. No. 1231, Chap. 172, Art 2, Sec. 4 (2009). The grants will allow political subdivisions to pursue joint demonstration projects with ethanol facilities. Grants will be offered to all eligible set aside applicants (three have been identified). Grant awards are targeted for March 2010.

### Award of capital project implementation grants

Upon completion and MPCA approval of project design (Plans & Specifications) and required permits, political subdivisions may apply for up to 50 percent grant assistance for capital project implementation. Project implementation grant requests will be ranked and grant funds awarded according to a competitive process as provided for in MN Stat. §116.195. Implementation grants will be awarded based on readiness of the project.

## General track

### Award of design grants

In addition to ethanol production, potential reuses of wastewater include: process cooling water for power generation, cropland and golf course irrigation, and miscellaneous industrial processing water. The MPCA will offer project pre-design and design grants to political subdivisions to pursue a variety of joint wastewater reuse demonstration projects. Project pre-design and design grants will be offered according to a process that competitively distributes project grant awards to various types of reuse projects to the extent possible. Grant awards are targeted for April 2010. Ethanol reuse projects that do not meet the special conditions of House File 1231, Chap. 172, Art 2 (2009) will be eligible for general track grant awards.

### Award of capital project implementation grants

Upon completion and MPCA approval of project design (Plans & Specifications) and required permits, political subdivisions may apply for up to 50 percent grant assistance for capital project implementation. Project implementation grant requests will be ranked and grant funds awarded according to a competitive process as provided for in MN Stat. §116.195. Ethanol reuse projects that do not meet the special conditions of House File 1231, Chap. 172, Art. 2 will be eligible for general track grant awards.

In developing and implementing this program, the MPCA is working cooperatively with the Minnesota Department of Natural Resources and the Minnesota Public Facilities Authority.