

Funding Water Quality Trading

This factsheet is intended for wastewater treatment system operators, permittees and/or staff interested in pursuing a water quality trading project and looking for funding sources to aid in implementation costs. Various funding opportunities exist through the State of Minnesota that may be used for water quality trading projects. Funding may be eligible towards the cost of generating trade credits (infrastructure upgrades, nonpoint best management practices (BMPs)) or to purchase credits from another entity. This factsheet is not inclusive of all funding options. Please contact staff listed through the “**More information**” links in the table below about how a specific trade initiative may be eligible for financial assistance.

Fund name	Details	Potential trade project funding	More information
Minnesota Public Facilities Authority (MPFA)/MN Pollution Control Agency (MPCA)			
Clean Water Revolving Fund (CWRF)	Financing (below market rate loans) and technical assistance for public infrastructure	Generating trade credits through infrastructure upgrades, potential for structural nonpoint BMPs	Clean Water Revolving Fund / Public Facilities Authority
Green Project Reserve	Principal forgiveness (25%) of CWRF loan cost.	Generating trade credits through stormwater projects, nonpoint BMPs and/or infrastructure/technology upgrades	2025-clean-water-iup-ppl_tcm1045-660265.pdf (see page 7) Green Project Reserve Guidance for the Clean Water State Revolving Fund (CWSRF) US EPA
Water Infrastructure Fund (WIF)	Affordability grants for public infrastructure upgrades	Generating credits through infrastructure updates	Water Infrastructure Fund / Public Facilities Authority
Point Source Implementation Grant (PSIG)	Pollutant based grants for water infrastructure upgrades for treatment of new more stringent limits.	Potential for point-to-point trading	Point Source Implementation Grant Program / Public Facilities Authority
Clean Water Partnership (CWP)	Low interest loan	Generating credits from nonpoint BMPs	Clean Water Partnership loans Minnesota Pollution Control Agency
Board of Soil & Water Resources			
Clean Water Fund	Competitive grants for practices protecting State waters.	Generating credits from nonpoint BMPs	Clean Water Fund Programs & Grant Profiles MN Board of Water, Soil Resources Contact: Annie Felix

One Watershed, One Plan (1W1P)	Non-competitive grant dollars available at the HUC-8 watershed scale	Generating credits from nonpoint BMPs	One Watershed, One Plan Participating Watersheds MN Board of Water, Soil Resources Contact your Soil & Water Conservation District, Watershed District or BWSR staff to discuss options.
MN Department of Agriculture			
Ag BMP Loan Program	Low interest loan for private landowners coordinated through County Soil & Water Conservation District or County Environmental Office.	Generating credits from agricultural BMPs (nonpoint)	Agriculture Best Management Practices (BMP) Loan Program Minnesota Department of Agriculture
MN Agricultural Water Quality Certification Program	A voluntary certification program for farmers/landowners to implement conservation practices.	Generating credits from agricultural BMPs (nonpoint)	Minnesota Agricultural Water Quality Certification Program Minnesota Department of Agriculture
United States Department of Agriculture (USDA)			
Rural Development – Water & Environmental Programs	A variety of loans, grants & technical assistance for rural communities for drinking water & waste disposal systems.	Generating credits through infrastructure updates	Water & Environmental Programs Rural Development

Want more information? Contact listed staff through the More Information links. For questions related to water quality trading, contact the Water Quality Trading Program team at WQtrading.PCA@state.mn.us.