

(VII) FOR COSTS ASSOCIATED WITH THE ISSUANCE OF BONDS; AND

(IX) SUBJECT TO THE CONDITIONS UNDER SUBSECTION (H) OF THIS SECTION, PROJECTS RELATED TO THE REMOVAL OF NITROGEN FROM ONSITE SEWAGE DISPOSAL SYSTEMS AND COVER CROP ACTIVITIES.

(3) THE GRANT AGREEMENT AND STATE DISCHARGE PERMIT, IF APPLICABLE, SHALL REQUIRE AN OWNER OF A WASTEWATER FACILITY TO OPERATE THE ENHANCED NUTRIENT REMOVAL FACILITY IN A MANNER THAT OPTIMIZES THE NUTRIENT REMOVAL CAPABILITY OF THE FACILITY IN ORDER TO ACHIEVE ENHANCED NUTRIENT REMOVAL PERFORMANCE LEVELS.

(4) (I) ALL WASTEWATER FACILITIES SERVING MARYLAND USERS THAT HAVE CONTRIBUTED TO THE BAY RESTORATION FUND ARE ELIGIBLE FOR GRANTS UNDER THIS SECTION, INCLUDING THE BLUE PLAINS WASTEWATER TREATMENT PLANT IN THE DISTRICT OF COLUMBIA.

(II) GRANTS ISSUED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION FOR UPGRADES TO THE BLUE PLAINS WASTEWATER TREATMENT PLANT MAY BE AWARDED ONLY IF EACH PARTY TO THE BLUE PLAINS INTERMUNICIPAL AGREEMENT OF 1985 CONTRIBUTES A PROPORTIONAL SHARE OF THE UPGRADE COSTS IN ACCORDANCE WITH THE BLUE PLAINS INTERMUNICIPAL AGREEMENT OF 1985, AS REVISED AND UPDATED.

~~(4) (H) (5) PRIORITY FOR FUNDING AN UPGRADE OF A WASTEWATER FACILITY SHALL BE COMMENCED ONLY ON COMPLETION OF GIVEN TO ENHANCED NUTRIENT REMOVAL UPGRADES AT WASTEWATER FACILITIES WITH A DESIGN CAPACITY OF 500,000 GALLONS OR MORE PER DAY.~~

~~(H) (6) (I) THE ELIGIBILITY AND PRIORITY RANKING OF A PROJECT SHALL BE DETERMINED BY THE DEPARTMENT BASED ON CRITERIA ESTABLISHED IN REGULATIONS ADOPTED BY THE DEPARTMENT, IN ACCORDANCE WITH SUBSECTION (G) (K) OF THIS SECTION.~~

(II) THE CRITERIA ADOPTED BY THE DEPARTMENT SHALL INCLUDE, AS APPROPRIATE, CONSIDERATION OF:

1. THE COST-EFFECTIVENESS IN PROVIDING WATER QUALITY BENEFIT;

2. THE WATER QUALITY BENEFIT TO A BODY OF WATER IDENTIFIED BY THE DEPARTMENT AS IMPAIRED UNDER SECTION 303(D) OF THE CLEAN WATER ACT;

3. THE READINESS OF A WASTEWATER FACILITY TO PROCEED TO CONSTRUCTION; AND

4. THE NITROGEN AND PHOSPHORUS LOADS DISCHARGED BY A WASTEWATER FACILITY.

(7) A WASTEWATER FACILITY THAT HAS NOT BEEN OFFERED OR HAS NOT RECEIVED FUNDS FROM THE DEPARTMENT UNDER THIS SECTION OR FROM ANY