

**North Carolina
Infrastructure Investment and Jobs Act
Drinking Water State Revolving Fund
Emerging Contaminants Funds
(IIJA DWSRF-EC)**

**Intended Use Plan
Fiscal Year 2026**

**Draft for Public Review
March 2026**

Main changes to the draft IUP for FY2025 that was presented for public comment in March 2025 are identified in red font text.

Division of Water Infrastructure

North Carolina Department of Environmental Quality

Table of Contents

1. Introduction and Capitalization Grants Summary 2

2. Financial History..... 3

3. Programmatic Goals..... 4

4. Information on Activities to be Supported 5

5. Criteria and Methods for Distributing Funds..... 8

6. Programmatic Conditions 15

7. Program Evaluation Report..... 16

8. Public Review and Comment 16

9. Budget and Project Periods 17

Appendices

Appendix A - Set Aside Activity Description

Appendix B - Intended Use Plan Project Priority List

Appendix C - FY 2026 (Cap Grant) Proposed Payment Schedule

Appendix D – Priority Rating System

1. Introduction and Capitalization Grants Summary

This Intended Use Plan (IUP) provides details on the Division of Water Infrastructure’s (Division) intent to administer the Drinking Water State Revolving Fund Emerging Contaminants (DWSRF-EC) and to apply for the FY2026 Infrastructure Investment and Jobs Act¹ (IIJA) DWSRF-EC capitalization grant.

North Carolina’s FY2026 IIJA DWSRF-EC capitalization grant allotment is preliminarily estimated by EPA to be \$21,054,000. When a final allotment has been announced by EPA, the Division will amend the IUP, apply for the full allotment, and use the percentages identified in this IUP to split the funds between Principal Forgiveness, reserves, and the various set-asides.

The Division intends to apply for any additional funds made available through reallocations of other states’ capitalization grant allotments and apply the reallocation funds towards awarded projects using the percentages shown in the summary table below.

Table Summary of Capitalization Grants

	FY2026 IIJA DWSRF-EC	Any potential reallocations (none)
Capitalization Grant Amount	TBD. Estimated to be \$21,054,000	N/A or TBD
State Match	0%. \$0	0%. \$0
<i>Subtotal</i>	<i>Est. \$21,054,000</i>	<i>N/A or TBD</i>
Set-Asides from Cap. Grants:		
A. Program Administration	Up to 4% (Est. up to \$842,160)	0%. \$0
B. Technical Assistance to Small Systems	0% \$0	0% \$0
C. Administration of the Public Water Supply Supervision Program	0% \$0	0% \$0
D. Local Assistance and Other State Programs	0% \$0	0% \$0
<i>Set-Asides subtotal²</i>	<i>Est. up to \$842,160</i>	<i>\$0</i>
<i>Available for Principal Forgiveness loans from grant</i>	<i>At least 96% of cap grant (Est. \$20,211,840)</i>	<i>100%</i>
Percent of available Principal Forgiveness loans for Special Purpose:		
Evaluation/Assessment Project Reserve	Up to 50% (Est. up to \$10,105,920)	Up to 50%.
Small/Disadvantaged Communities Minimum (pending demand)	Minimum 25% (Est. \$5,052,960)	Minimum 25%.

¹ Infrastructure Investment and Jobs Act (IIJA) was formerly referred to as Bipartisan Infrastructure Law (BIL).

² Unused amounts that are budgeted for set-asides will be used for project loan disbursements prior to closing the capitalization grant.

The Division of Water Infrastructure (Division) is part of the North Carolina Department of Environmental Quality (NCDEQ). The Division administers financial assistance programs to assist eligible public water supply systems in constructing projects that both benefit public health and improve the human environment. Eligible public water supply systems³ are local government units (LGUs), non-profit water/wastewater utilities, and investor-owned drinking water companies. Most of the customers of public water supply systems are served by local government units across North Carolina.

In 2013 the North Carolina General Assembly created the State Water Infrastructure Authority (Authority) to determine projects eligible for certain water infrastructure funding programs, including the Drinking Water State Revolving Fund (DWSRF), consistent with federal law. The priorities reflected in this document have been approved by the Authority.

Specific to this document, the Division administers the DWSRF program as established by the 1996 Amendments to the Safe Drinking Water Act (SDWA), (P.L. 104-182), Section 1452. The DWSRF program offers loans to public water supply systems at interest rates lower than market rates for drinking water infrastructure. As a public water supply system repays the loan, the monies are again loaned out, hence the revolving nature of the program. All loan repayments must go back into the DWSRF. The DWSRF-EC funds will, however, be offered entirely as principal forgiveness loans, meaning that the eligible recipients of these funds would not need to repay these loans. This Intended Use Plan explains how the FY2026 IIJA DWSRF Emerging Contaminants capitalization grants will be used and how the DWSRF-EC will operate in accordance with Section 1452(b) of the SDWA.

The IUP is incorporated into the capitalization grant agreement and becomes the grant work plan. Combined, the operating agreement, grant agreement, IUP, SDWA, and state statutes set the program requirements for the IIJA DWSRF-EC funds. The IUP identifies anticipated projects scheduled for funding commitments from the DWSRF-EC. It also explains how the IIJA DWSRF-EC funds will utilize a priority rating system to identify those projects that will address the greatest need and/or provide the greatest positive public health impact on the water resources in North Carolina.

The IIJA DWSRF-EC funds are made available as 100% principal forgiveness. There will not be any repayments associated with these funds.

2. Financial History

Congress appropriated funds to the DWSRF in the Infrastructure Investment and Jobs Act of 2021. The IIJA appropriated additional funds for five fiscal years (FY2022-FY2026) to address Emerging Contaminants (IIJA DWSRF-EC Funds). The IIJA also appropriated funds specifically to supplement the DWSRF funds and to address lead service line replacement; plans for which are described in

³For brevity, "LGUs" in this IUP refers to eligible entities, including local government units, non-profit utilities, and investor-owned drinking water utilities.

separate IUPs. This IUP will discuss the workplan for the IIJA DWSRF-EC funds for the Fiscal Year 2026. North Carolina received \$23,360,000 for FY 2022, \$21,054,000 for FY 2023, \$21,054,000 for FY 2024, and \$21,054,000 for FY2025 for addressing Emerging Contaminants in drinking water. North Carolina will receive the amount shown in the Table Summary of Capitalization Grants from the FY 2025 federal capitalization grant for the IIJA DWSRF-EC funds. There is no state match required for these funds.

IIJA DWSRF-EC funds will not be used to satisfy debt security requirements.

3. Programmatic Goals

Pursuant to the SDWA, the State must identify the goals and objectives of the state fund. North Carolina has set its short- and long-term goals of this IUP to align with EPA's **Pillar 1: Clean Air, Land, and Water for Every American**. The State has the following goals for its IIJA DWSRF-EC program:

3.1. Overall DWSRF Program Goal

Provide funding for drinking water infrastructure while advancing the NCDEQ's mission to provide science-based environmental stewardship for the health and prosperity of ALL North Carolinians and to advance the public health goals of Safe Drinking Water Act while targeting the systems with greatest needs.

3.2. Emerging Contaminants Funding Program Short-Term Goals

Goal #1: Inform LGUs of the availability of funds, benefits of the DWSRF-EC program, and funding process.

Goal #2: Work closely with public water systems to address contamination of drinking water with PFAS (per- and polyfluoroalkyl substances), initially through planning and assessment of solutions.

Goal #3: To spread the limited IIJA DWSRF-EC funds among a large number of LGUs that apply for funds.

3.3. Long -Term Goals

Goal #1: Support North Carolina Department of Environmental Quality's Strategic Goal to "strengthen North Carolina's infrastructure through thoughtful and strategic investments".

Goal #2: Support North Carolina Department of Environmental Quality's Strategic Goal to "**protect North Carolinian's people and natural resources from exposure to PFAS and other forever chemicals, using a transparent and science-based decision-making process**", with special emphasis on reducing health risks associated with PFAS.

- Goal #3: Support North Carolina Department of Environmental Quality's Strategic Objective to invest funding in intentional and efficient ways to make sure drinking water and wastewater projects serve communities with the greatest need.
- Goal #4: Support U.S. Environmental Protection Agency's **Pillar 1 that aims to ensure that every American have access to clean water.**
- Goal #5: Integrate the funding process with other DWSRF funding processes and continue to streamline them to ensure the funds are used in an expeditious and timely manner in accordance with the SDWA and applicable State laws as required by Section 1452(g)(3)(A) of the SDWA.
- Goal #6: Ensure the technical integrity of DWSRF projects through diligent and effective planning, design, and construction management.
- Goal #7: Ensure the Priority Rating System reflects NCDEQ's and the Authority's goals.
- Goal #8: Provide technical and financial assistance to public water supply systems in adapting to changing drinking water quality standards and maintaining the health objectives of the SDWA.

4. Information on Activities to be Supported

North Carolina's DWSRF program will continue to be one of low-interest loans, supplemented with principal forgiveness as allowed by federal law. The DWSRF-EC funds will be entirely funded as principal forgiveness loans. The State intends to access up to 4% of the capitalization grant (see the Table Summary of Capitalization Grants for the amounts) for the administrative costs associated with running the program. These activities include application preparations and outreach, technical assistance, application review, engineering report and environmental document review, design review, funding processing, construction inspection, and disbursement processing and accounting for funded projects. The State is not intending to access any set-aside funds from any additional funds made available through reallocations of other states' capitalization grant allotments.

In addition to funding water infrastructure projects, the SDWA also allows the use of capitalization grant funds for non-project purposes. The 1996 SDWA added significant new program responsibilities for states and provided for their funding through the set-asides from the DWSRF for non-project activities. Set-asides are uses of DWSRF money which are allowed by the SDWA to further the objectives of the Act, but are not construction related. These activities include the following:

- Program administration
- Technical assistance to small systems
- Administration of the Public Water Supply Supervision Program (State Program Management), and
- Local assistance and other state programs.

Non-project activities may be carried out directly by the Division, by the Public Water Supply (PWS) Section of the Division of Water Resources in the North Carolina Department of Environment

Quality, and through contracts with other agencies and organizations. **Please see Appendix A for more information about set-aside activities.** The administrative set-aside is administered by the Division of Water Infrastructure. The Division reserves the right to use unused portions of set-asides at a later date.

The Division reserves the authority to transfer IJA Emerging Contaminants funds between the DWSRF-EC and CWSRF-EC from these years' capitalization grants at a later date and apply it to a future year's capitalization grant. Any requests for transfer will be notified in writing to EPA.

The following table provides a summary of the projected funds available as a result of the Federal capitalization grant. **The capitalization grants have been conditionally awarded to the Division, with access to limited amount of the funds for set-aside activities. The Division is providing updated Project Priority Lists to EPA, after public comment periods, to remove the conditions on previous capitalization grants. The first project disbursements began in FY2025. The first set-aside expenditures were charged to the program during FY2026. Project disbursements from this capitalization grant must occur within the performance period of the capitalization grant (maximum of seven years, although projects are on a project timeline that is up to four years). The project and set-aside expenditures, by fiscal year, including projects for future fiscal years, are shown in the Sources and Uses table below. All revenue generated from the IJA DWSRF-EC capitalization grants across all years will be spent on project disbursements and set-aside expenditures as described in the Intended Use Plans.**

DRAFT

Sources and Uses for the Life of the Program (updated March 2025)

Historic Sources and Uses									
	Revenues					Expenditures		Net	
FY	Federal Cap	State Match	Repayments Principal	Repayments Interest	Interest Earned	Project Disbursements	Set-Asides	Net For FY	Cumulative Net
2025 (FY22, 23 cap grants)	\$4,000,000	\$0				\$935,411.40	\$0.00	\$3,064,588.60	\$3,064,588.60
Totals	\$4,000,000	\$0				\$935,411.40	\$0.00	\$3,064,588.60	\$3,064,588.60
Projected Sources and Uses for FY2026 and Beyond (based on Availability Model)									
	Revenues					Expenditures		Net	
FY	Federal Cap	State Match	Repayments Principal	Repayments Interest	Interest Earned	Project Disbursements	Set-Asides	Net For FY	Cumulative Net
2026 (FY22-24 cap grants)	\$11,500,000	\$0				\$9,000,000	\$100,000	\$2,400,000	\$5,464,589
2027 (FY22-25 cap grants)	\$14,500,000	\$0				\$12,000,000	\$400,000	\$2,100,000	\$7,564,589
2028 (FY22-26 cap grants)	\$24,500,000	\$0				\$25,000,000	\$500,000	(\$1,000,000)	\$6,564,589
2029-2033 (FY22-26 cap grants)	\$53,725,000	\$0				\$56,960,589	\$3,329,000	(\$6,564,589)	\$0
Totals	\$104,225,000	\$0				\$102,960,589	\$4,329,000	(\$3,064,589)	\$0

Values in BLUE as approximate values.

5. Criteria and Methods for Distributing Funds

5.1. Eligible Projects

For IJJA DWSRF-EC capitalization grants, eligible projects must address any perfluoroalkyl and polyfluoroalkyl substances (PFAS) contaminants.

Priority will be given to eligible projects that address PFAS compounds exceeding proposed or promulgated Maximum Contaminant Levels (MCLs) and/or Hazard Index.

Examples of eligible construction projects may include:

- Construction of a new treatment facility or upgrade to an existing treatment facility.
- Development of a new water supply source (i.e., new/replacement well or intake for a public water system).
- Consolidation with another water system that does not have emerging contaminants present or has removal capability.
- Creation of a new community water system or extension of a distribution system of a public water system to address unsafe drinking water provided by individual (i.e., privately-owned) wells or surface water sources by providing water that meets proposed standards.

Bottled water or point-of-use devices are not eligible expenses per federal program rules.

Only projects successfully claiming 1.J points and 2.H.3 or 2.H.4 points will be eligible for IJJA DWSRF-EC funding. To claim 1.J.1 or 1.J.3 points, 100% of the project costs must be to address PFAS. Only the portion of the project costs associated with the project activities that address PFAS will be eligible for IJJA DWSRF-EC disbursements.

5.2. Project List and Prioritization

The Intended Use Plan Project Priority List may be supplemented or replaced based on applications received as a part of future funding cycles (see 5.3 below). Applications that are received in one funding cycle and are not selected for funding will be reconsidered in one more cycle (the next one) for funding.

Projects eligible for DWSRF-EC funds will be prioritized using a Priority Rating System consisting of elements of the Priority Rating System that are specific to the DWSRF-EC funding, as approved by the State Water Infrastructure Authority (see Appendix D). Applications will be ranked based on the following scores, in the following order: 1) total application score (points) of the Priority Rating System relevant for DWSRF-EC, 2) project purpose points, 3) project benefit points, and 4) affordability points.

The Priority Rating System considers four elements of a project: (1) project purpose, (2) project benefit, (3) system management, and (4) affordability.

For project purpose, the Priority Rating System places higher priority on construction projects over evaluation and assessment projects, and on projects with greater proportions of costs dedicated to addressing PFAS contamination. The full Priority Rating System provides points for other project purposes by which projects that are not DWSRF-EC eligible may be scored. An application will only receive priority points for one project purpose.

In terms of project benefits, priority is given to addressing source water or emerging contaminants issues, especially PFAS that exceed proposed or promulgated MCLs and the Hazard Index. Additional prioritization is provided to regionalization projects to incentivize regional approaches to addressing PFAS. The full Priority Rating System provides points for other project benefits by which projects that are not DWSRF-EC eligible may be scored.

In addition to addressing public health issues, the Priority Rating System supports those public water supply systems that seek to be proactive in their system management, including prioritization points for asset management plans and appropriate operating ratios.

The Priority Rating System also takes into account the ability of the applicant to afford projects. For example, those applicants who have a high poverty rate, high utility bills, lower population growth, lower median household incomes, and higher unemployment receive higher priority. Projects that primarily benefit subsets of the service population that are in disadvantaged areas also receive priority points. Local government units that are under the fiscal control of the Local Government Commission and that have required Emergency Operating Grants to balance their budgets are also prioritized.

Items in the Priority Rating System relating specifically to emerging contaminants include:

- Project purpose:
 - Projects where 100% of the project costs are to address PFAS contamination.
 - Projects where at least 75% of the project's costs are to address PFAS contamination.
 - Projects evaluating alternatives to address emerging contaminants (may include pilot scale treatment study)
- Project benefits:
 - Projects removing any PFAS compounds drinking water to below 10 ppt.
 - Projects resulting in waters meeting EPA's proposed or promulgated MCLs and/or Hazard Index for PFOA, PFOS, PFBS, PFNA, GenX and PFHxS.

5.3. Application and Project Deadlines

The DWSRF program operates on a priority basis and accepts funding applications at various times of the year based on the type of Emerging Contaminants project. Projects are allocated funding in priority order (as noted above) until available funds in each funding round are exhausted and within special reserve requirements (e.g. Evaluation/Assessment Project Reserve, as described herein). Funding availability is determined based on the capitalization grants. Results will be posted on the Division's website.

The applications for construction projects (i.e., projects that qualify for line items 1.J.1 or 1.J.2 in the Priority Rating System) will be accepted and assessed semi-annually as part of the regular Division application rounds, using the common application form. IIJA DWSRF-EC funds for construction projects will be made available for awards in up to two State Water Infrastructure Authority meetings during the year. These will occur at the same time that other construction project applications are awarded funding in the semi-annual process, e.g., from DWSRF funds.

Applications for evaluation and assessment projects (i.e., projects that qualify for line item 1.J.3 in the Priority Rating System) will be accepted year-round using a separate application form. IIJA DWSRF-EC funds for evaluation and assessment projects will be made available for awards as part of several regular State Water Infrastructure Authority meetings during the year. The Division will establish application due dates for each funding cycle, which will be posted on the Division's website. Applications for evaluation and assessment projects can be submitted at any time. Complete and eligible applications received on or prior to an application due date will be considered for funding at the next scheduled SWIA meeting. Projects not selected for funding will be automatically reconsidered for the next funding cycle. Applications for evaluation and assessment projects will be funded from the reserve established for evaluation and assessment projects as described in Section 5.4.1.3.

Project funding for construction projects is contingent on adherence to the schedule below in accordance with §159G-41 (times listed are measured from Letter of Intent to Fund except as noted otherwise):

- 5.3.1. Funding application and supporting information must be received by the application deadline to be considered for any given funding cycle.
- 5.3.2. After the Authority provides final project rank eligibilities, the DWSRF program will issue Letters of Intent to Fund (LOIF) based on the projects' prioritization and the amount of funds being made available in the cycle.
- 5.3.3. Within four months of the issuance of the LOIF, a complete Engineering Report / Environmental Information Document must be submitted to the DWSRF program.
- 5.3.4. Within nine months, the Engineering Report / Environmental Information Document must be approved.
- 5.3.5. Within 15 months, complete plans and specifications must be submitted with copies of all required permits, encroachments, etc., or evidence that applications for remaining required permits have been submitted to the respective permitting agency. Complete Operations and Maintenance (O&M) Plan must be submitted.
- 5.3.6. Within 19 months, the plans/specifications and all required permits must be approved/issued.

- 5.3.7. Within 23 months, the following events/items must be completed/received:
 - 5.3.7.1. Advertisement of the project for bids
 - 5.3.7.2. Receipt of bids
 - 5.3.7.3. Submission of bid information to DWSRF staff
 - 5.3.7.4. Obtainment of the Division's Authority to Award Construction Contracts.
- 5.3.8. Within 24 months, construction contracts must be executed.

The milestones in the timeline above are absolute for all projects in a particular cycle and will not be extended except based upon a demonstrated need for extension by the public water system. Projects may be able to meet these milestones ahead of schedule. However, in the event that any milestone noted above is not met, work by the DWSRF staff may be suspended and all documents returned to the Applicant until the proposed project is resubmitted for consideration during a future cycle.

If an Applicant desires DWSRF funding and the Applicant's project requires an Environmental Impact Statement (EIS), Division staff will manage the environmental review process. However, a funding application for the project will not be accepted in any funding cycle until a draft EIS has been sent to the State Clearinghouse (SCH). In the event that a fundable project is in process and the environmental review completed within the timeline results in the conclusion that an EIS is required, then the milestone deadlines for the project will be suspended until a draft EIS has been sent to the SCH. After the draft EIS is sent to the SCH, the project must adhere to the same time frames specified above.

5.4. Detailed Project Funding Criteria

5.4.1. General

- 5.4.1.1. To be eligible for DWSRF-EC funding, a project must be on the Intended Use Plan Project List.
- 5.4.1.2. Funding can be provided for any eligible projects (that address PFAS) as provided for in the Safe Drinking Water Act and NCGS 159G, including water treatment facilities, distribution systems, tanks, etc. that improve drinking water quality. DWSRF-EC funding can be provided for any SRF-eligible project addressing PFAS contamination as demonstrated by successfully claiming Priority Rating System line items 1.J.1, 1.J.2, or 1.J.3, and 2.H.3 or 2.H.4
- 5.4.1.3. Evaluation/Assessment Project Reserve: At least 50% of the DWSRF-EC funds available for projects will be reserved for projects to evaluate alternatives to address PFAS (i.e. pilot scale treatment studies, assessments and evaluations, etc.). Projects that qualify for line item 1.J.3

qualify for these project funds. If there are not enough eligible applications for evaluation projects to award at least 50% of the project funding by the second application round in which construction project applications are considered (i.e., **by the Fall 2026** funding round), the remainder of this reserve will be made available to other DWSRF-EC eligible projects in priority order. Funding may bypass a higher priority project to satisfy the Evaluation/Assessment Project Reserve. Any such bypassing will be shown in the Intended Use Plan Project Priority List.

- 5.4.1.4. At least 25% of DWSRF-EC funds will be provided to disadvantaged communities (as defined by the state under SDWA 1452(d)).
- 5.4.1.5. Funding will be provided in priority order based on project scores, Authority determination, and the amount of funds made available. Projects cannot be substantively changed once funding is allocated.
- 5.4.1.6. DWSRF-EC funds will be offered as 100% principal forgiveness.
- 5.4.1.7. The maximum DWSRF-EC funding amount for construction projects will be established at \$5,000,000 per applicant, starting on August 1, 2025. Previous funding awards for construction projects from FY2022 through FY2026 IJJA DWSRF-EC capitalization grants count towards this limit. This can be increased if funds are available at an increment of \$500,000 per project (up to total funding requested), in priority order, until available funding in the funding round is exhausted.
- 5.4.1.8. The maximum DWSRF-EC funding amount for evaluation projects will be established at \$500,000 per applicant, starting on August 1, 2025. Previous funding awards for evaluation projects from FY2022 through FY2026 IJJA DWSRF-EC capitalization grants count towards this limit.
- 5.4.1.9. Division reserves the right to borrow from future capitalization grants to meet the demand as and when needed.

5.4.2. Principal Forgiveness

DWSRF-EC funding will be provided with 100% principal forgiveness for the entire FY2026 capitalization grant, less the amounts used for set-asides and administrative costs. Total amounts available for principal forgiveness is estimated in the Table Summary of Capitalization Grants.

5.4.3. Disadvantaged Communities and Small System Reserve

- 5.4.3.1. A minimum of 25% of the DWSRF-EC funds, less the amounts used for set-asides and administrative costs (see Table Summary of Capitalization Grants for amounts) will be awarded to disadvantaged communities as

defined by the state under SDWA 1452(d) as described in Sections 5.4.3.3 and 5.4.3.4, or to public water systems serving fewer than 25,000 people.

- 5.4.3.2. Funding may bypass a higher priority project to satisfy the Disadvantaged Communities and Small System Reserve. Any such bypassing will be shown in the Intended Use Plan Project Priority List.
- 5.4.3.3. Projects that qualify under the disadvantaged communities' criterion include projects from applicants that qualify under Affordability criteria defined in Sections 5.4.3.3.1 - 5.4.3.3.3, and projects for which at least 50% of the project costs are to benefit disadvantaged areas defined in Section 5.4.3.4.

Affordability:

- 5.4.3.3.1. LGUs with less than 20,000 residential water connections, at least three (3) of five (5) LGU economic indicators ("LGU indicators") worse than the state benchmark, an operating ratio (future) of less than 1.3 and either utility rates greater than the state median or project cost per connection that project to increase the utility rates above the 70th percentile of state-wide utility rates, or
 - 5.4.3.3.2. LGUs that have been designated as Distressed per NCGS §159G-45 and either has utility rates greater than the state median or project cost per connection that project to increase the utility rates above the 70th percentile of state-wide utility rates, or
 - 5.4.3.3.3. Local government units under the fiscal control of the Local Government Commission on the day of the application deadline.
- 5.4.3.4. "Disadvantaged areas" are subsections or pockets of a local government unit area or utility service area, not the entire local government unit area or entire utility service area. Disadvantaged areas are limited to less than half the number of total connections served by the applicant at the time of application. A project that benefits the entire local government unit area or entire utility service area is not eligible to be considered a "disadvantaged area" project.

Applicants can demonstrate a targeted project area as a disadvantaged area if it meets the size specifications above and it falls within a Potentially Underserved Block Group or Tribal boundary layer in the

North Carolina Department of Environmental Quality's Community Mapping System.

Alternatively, Applicants can demonstrate a targeted project area is a disadvantaged area based on its socioeconomic data, which may be obtained for Census Block Groups or Census Tracts that provide the closest overlap with the targeted project area. **Census Block Groups are recommended.** A targeted project area will be considered a "disadvantaged area" based on at least three of the following factors:

- median household income of the targeted project area is lower than the state benchmark;
- poverty rate of the targeted project area is higher than the state benchmark;
- property values per capita of the targeted project area is lower than the state benchmark;
- unemployment rate of the targeted project area is higher than the state benchmark.

Additional factors that may qualify the targeted project area as disadvantaged, such as (but not limited to) demographic, historical, cultural, linguistic, socio-economic stressors, cost-of-living stressors, or existing contamination factors, may also be considered for targeted project areas that meet the size specification above. Additional factors cannot be considered if they contradict federal or state requirements for federal funding.

Applicants must provide a narrative in the application to justify the targeted project area as disadvantaged using the factors above, and may use maps or other existing sources to document their justification.

5.4.4. Capacity Development Reviews

- 5.4.4.1. All public water supply systems receiving funding from the DWSRF must be reviewed to ensure that they can demonstrate adequate technical, financial, and managerial capacity [per NCAC 15A 18C .0307(c)] to operate the water system in compliance with the SDWA. Capacity Development reviews for construction projects that require permitting will be done by the Public Water Supply Section. Emerging Contaminants study projects are not anticipated to have a Capacity Development review. However, project details resulting from the study projects will be sent to the Compliance agency for review. Division will work closely with Public Water Supply Section to develop scope and guidance requirements for Emerging Contaminants projects. A regulatory process was developed and has been approved by EPA as adequate to ensure technical, financial,

and managerial capacity is demonstrated. This is measured by the issuance of an Authorization to Construct for the process occurring after capacity development criteria are reviewed and satisfied. A water system that lacks adequate capacity in one or more of these categories might remain eligible for funding if a strategy that would resolve the problem or issue can be developed and attached as a condition of the loan approval.

5.4.5. Miscellaneous Criteria/Provisions:

- 5.4.5.1. Davis-Bacon prevailing wage rates apply to loans as required by funding agreements/conditions.
- 5.4.5.2. American Iron and Steel provisions will apply to loans as required by Federal mandates.
- 5.4.5.3. Build America, Buy America requirements will apply to funds as required by US EPA and by Federal mandates.
- 5.4.5.4. Funding conditions for projects with capital improvements will include the requirement to develop an Operations and Maintenance (O&M) Plan to plan for adequate long-term operations of the assets, including plans for covering the operating costs and technical capacity of staff to operate and maintain the assets.
- 5.4.5.5. Funding conditions will specify that project costs that are paid by an identified Responsible Party are not eligible for DWSRF-EC funds and will be refunded to the Department.
- 5.4.5.6. Approval of a repayable loan (not principal forgiveness) that may supplement a DWSRF-EC award is contingent on approval by the Local Government Commission (LGC). Applicants receiving 100% principal forgiveness loans must submit their audited financial statement of the latest fiscal year to the Local Government Commission by July 1 of the following calendar year prior to receiving disbursements from the principal forgiveness loan.
- 5.4.5.7. A 2% fee is required. The fee cannot be financed by the DWSRF-EC fund.

6. Programmatic Conditions

6.1. Assurances and Specific Proposals

Pursuant to the SDWA, the State of North Carolina certifies that:

- 6.1.1. The State will enter into binding commitments for 100% of the amount of each payment received under the capitalization grant within one year after receipt of each payment.
- 6.1.2. The State will expend all funds in the DWSRF-EC in an expeditious and timely manner.
- 6.1.3. The State will conduct environmental reviews of treatment works projects according to procedures set forth in its Operating Agreement between the State and US Environmental Protection Agency.

6.2. Federal Requirements

- 6.2.1. The State will ensure that all federal requirements are met as noted in the DWSRF Operating Agreement between the State and US Environmental Protection Agency and the Grant Agreement, including Single Audit, Disadvantaged Business Enterprise compliance, federal environmental crosscutters, and Federal Funding Accountability and Transparency Act (FFATA) reporting requirements.
- 6.2.2. The State will enter all required reporting information at least quarterly into respective federal databases including FFATA and the SRF Data System.
- 6.2.3. The State will ensure that all applicants to the DWSRF program certify that they meet the fiscal sustainability planning requirements. Such certifications will be received by the time of funding offer.

6.3. Transfer between DWSRF-EC and Clean Water State Revolving Fund-EC Funds

Transfer of funds between the DWSRF-EC and the IJJA Clean Water State Revolving Fund Emerging Contaminants funding are authorized by federal statutes. This IUP does not propose any such transfer of funds. However, the Division reserves the ability to make transfers in managing cash flow and meeting project demands. If such transfer takes place, a subsequent transfer will be made by transferring that amount back from the receiving fund to the providing fund (i.e., no permanent transfers) as soon as possible. Any requests for transfer will be notified in writing to EPA.

7. Program Evaluation Report

The DWSRF program anticipates receiving and responding to the Program Evaluation Report (PER) for FY2025 funding in calendar year 2026, during and following the Annual Review. The Division participated in the EPA FY2024 Annual Review.

8. Public Review and Comment

The Intended Use Plan is drafted by the Division, including the Priority Rating System and the funding awards as approved by the State Water Infrastructure Authority, and sent to EPA's Regional Office for review. The draft IUP is published for public review and comment. Links for the documents and notification to the public are done through the Department's website and email notifications sent to various listservs. Once the public review is completed, the Division prepares

responses to any comments received and any updates to the IUP, if necessary. If no changes are proposed by the Division, a reason is provided as the response and all of these comments and responses become part of the final IUP.

This section will be completed after the public review period is concluded. Public comments are sought for the draft IUP and attached Priority Rating System.

The Division will update and finalize the Intended Use Plan after reviewing public comments and receiving the final allotments from EPA. The Division will also incorporate any additional changes to the Intended Use Plan that EPA identifies as necessary.

9. Budget and Project Periods

- 9.1. The budget and project periods being requested for the capitalization grants is shown in Appendix C and on EPA Form SF 424.
- 9.2. Fees (2% of the funding award) on funding from the grant will be deposited into separate account centers. Fees will be used to administer the program. In addition, fees considered non-program income will also be used for other water quality purposes within the Divisions of Water Resources and Water Infrastructure, including funding for positions.
- 9.3. In order to reduce and minimize federal unliquidated obligations and undisbursed non-federal cash balances, the state will draw down on the capitalization grants in the order it was received, fully spending on each year's capitalization grant fund types before drawing down from the next year's capitalization grant.

Appendix A

Set-Aside Activity Description

Note: the State does not intend to use set-asides from any potential reallocation of funds. Set-asides described below will come from the FY2026 IIJA DWSRF-Emerging Contaminants capitalization grant only.

Unused amounts that are budgeted for set-asides will be used for project loan disbursements prior to closing the capitalization grant.

A. Program Administration

Up to 4% of the capitalization grant (see amount in the Table Summary of Capitalization Grants) will be used for program administration. Administration includes management of the program; financial management; development of yearly comprehensive project priority lists; engineering report and environmental document review; construction inspections for funded projects; data management; data analysis; reporting; and records keeping; public engagement; etc. These funds will also be used to procure all equipment and training necessary for the adequate performance of staff on related duties.

The Division does not intend to use additional set-asides from the DWSRF-EC capitalization grants. Funding for technical assistance to small systems, administration of the Public Water Supply Supervision Program, and local assistance and other state programs, as they pertain to emerging contaminants, can be covered by set-asides from the base DWSRF and IIJA DWSRF General Supplemental capitalization grants, as described in a separate Intended Use Plan. The Division reserves the right to use unused portions of set-asides at a later date.

Appendix B

Draft - Intended Use Plan Project Priority List for IIJA DWSRF-EC Funds

The Intended Use Plan Project Priority List may be supplemented or replaced based on applications received as a part of future funding cycles. Funds from this year's capitalization grants may also be disbursed to projects listed on previous years' Intended Use Plan Project Priority Lists that are in construction during this year's capitalization grants' performance period.

No funding has been awarded from the FY2026 capitalization grant at this time. Funding awards for FY2026 IIJA DWSRF-EC funding is anticipated to begin in April 2026 and end in February 2027, although that may be extended if not enough applications have been received to fully award the funds from the capitalization grant. The Project Priority List will be created and subjected to a public comment period after applications are received and awarded FY2026 IIJA DWSRF-EC funds pending receipt from US EPA.

This project priority list items the output/outcomes of the policies and procedures outlined in this Intended Use Plan.

FY2026 Capitalization Grant Applications and Awards (to be completed after April 2026)

Construction project applications will be accepted in Spring 2026 (through April 30, 2026) and Fall 2026 (through September 30, 2026) for IIJA DWSRF-EC funding. Evaluation/Assessment Study project applications are accepted year-round and will be awarded between April 2026 and February 2027. Projects will be awarded FY2026 funding starting in April 2026 and in various SWIA meetings to applications throughout 2026 and into 2027. The Intended Use Plan Project Priority List will be updated based on applications received and awarded FY2026 funding as a part of future funding cycles.

Funding tables below this line are awarded funding from previous capitalization grants (FY2022, FY2023, FY2024 and FY2025 capitalization grants). They are currently/were previously presented in previous public comment periods. Projects below are anticipated to be funded from the FY2022 – FY2025 capitalization grants. However, depending on the projects' timelines, IIJA DWSRF-EC disbursements to projects below may come from the FY2026 capitalization grant during the performance period of the FY2026 capitalization grant and hence are included in the FY2026 capitalization grant Intended Use Plan's Project Priority List to cover that possibility.

Fall 2025 Application Round for Construction Projects – SWIA awards in February 2026 (presented in March 13 – 30, 2026 public comment period)

The following applications for Construction projects were reviewed and awarded DWSRF-EC funding from the FY2025 IIJA DWSRF-EC capitalization grant. Funded projects are shown in the “DWSRF-EC Funding” column.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Fayetteville Public Works Commission	PWC PO Hoffer GL GAC	Construction	NC0326010	215,590	Cumberland	\$62,380,000	Bypassed: previously awarded more than \$5M of IIJA DWSRF-EC funds, which is the per-applicant cap for EC construction funding starting in August 2025.	\$0	43	
Goldsboro, City of	PFAS Treatment Improvement Project	Construction	NC0496010	34,959	Wayne	\$49,605,000	IIJA DWSRF-EC is capped at \$5M per applicant.	\$5,000,000	43	Feb. 2026
South Granville Water & Sewer Authority	Post-Filter PFAS Treatment Improvements	Construction	NC0239107	18,555	Granville	\$21,868,000	Last awarded IIJA DWSRF-EC project. Awarded remainder of the IIJA DWSRF-EC funding available this round.	\$3,658,880	39	Feb. 2026
Graham, City of	Graham-Mebane WTP PFAS Improvements	Construction	NC0201015		Alamance	\$30,250,000		\$0	37	

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Greensboro, City of	Mitchell WTP Advanced Treatment for EC	Construction	NC0241010		Guilford	\$87,817,093		\$0	34	
Roanoke Rapids Sanitary District	Drinking Water EC Construction Project	Construction	NC0442010		Halifax	\$44,739,000		\$0	34	
Burlington, City of	PFAS Drinking Water Treatment Upgrades	Construction	NC0201010		Alamance	\$51,672,000		\$0	29	

Total funding requested: \$348,331,093. Total funding awarded: \$8,658,880.

February 2026 Applications for Evaluation/Assessment Projects – SWIA awards in February 2026 (presented in March 13 – 30, 2026 public comment period)

Since July 2024, Evaluation/Assessment project applications are accepted year-round and presented to SWIA at their next meeting for funding awards from the Evaluation/Assessment Project Reserve. The following applications for Evaluation/Assessment projects were reviewed and awarded IJJA DWSRF-EC funding from the FY2025 IJJA DWSRF-EC capitalization grant in SWIA’s February 2026 meeting. Funded projects are shown in the “DWSRF-EC Funding” column.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Carolina Water Service of North Carolina	PFAS Site Improvements	Evaluation/Assessment Project	Multiple	41,320	Multiple	\$500,000	Planning and design for 16 well sites across state	\$500,000	35	Feb. 2027
TriRiver Water	Chatham County WTP EC Study	Evaluation/Assessment Project	NC0319126, NC4019010, NC0319050	27,428	Lee; Chatham	\$500,000		\$500,000	30	Feb. 2027

Total funding requested: \$1,000,000. Total funding awarded: \$1,000,000.

September 2025 Applications for Evaluation/Assessment Projects – SWIA awards in September 2025 (presented in March 13 – 30, 2026 public comment period)

Since July 2024, Evaluation/Assessment project applications are accepted year-round and presented to SWIA at their next meeting for funding awards from the Evaluation/Assessment Project Reserve. The following applications for Evaluation/Assessment projects were reviewed and awarded IJJA DWSRF-EC funding from the FY2025 IJJA DWSRF-EC capitalization grant in SWIA’s September 2025 meeting. Funded projects are shown in the “DWSRF-EC Funding” column.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Iredell Water Corporation	Iredell Water Corp Wells PFAS	Evaluation/Assessment Project	NC0149025	27,343	Iredell	\$500,000		\$500,000	34	Sep. 2026

Total funding requested: \$500,000. Total funding awarded: \$500,000.

Spring 2025 Application Round for Construction Projects – SWIA awards in July 2025 (presented in March 13 – 30, 2026 public comment period)

The following applications for Construction projects were reviewed and awarded DWSRF-EC funding from the FY2024 IJJA DWSRF-EC capitalization grant (\$10,468,345) and from the FY2025 IJJA DWSRF-EC capitalization grant (\$10,052,960). Funded projects are shown in the “DWSRF-EC Funding” column.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Aqua North Carolina, Inc	Brookwood Community Ion Exchange Filters	Construction	NC0326143, NC0326341	705	Cumberland	\$1,327,800	Project will be for different wells than for application #6.	\$1,327,800	47	Aug. 2026
Cumberland County	Gray’s Creek Phase 2	Construction	NC5026026	253	Cumberland	\$19,614,136		\$5,000,000	47	Aug. 2026

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Carolina Water Service, Inc	PFAS Implementation - College Park	Construction	NC0136214	41,320	Gaston	\$614,026		\$614,026	47	Aug. 2026
Martin County Regional Water and Sewer Authority	GAC Filters for PFAS Removal	Construction	NC6059015	4,991	Martin	\$1,015,500	Previously funded with SRF-D-EC-007. Requesting additional funds.	\$1,015,500	43	Aug. 2026
Fayetteville Public Works Commission	PO Hoffer/Glenville Lake WTP GAC Facilit	Construction	NC0326010	214,405	Cumberland	\$51,182,600		\$5,000,000	43	Aug. 2026
Aqua North Carolina, Inc	Brookwood Community Ion Exchange Filters	Construction	NC0326127	15,840	Cumberland	\$3,983,400	Funding, in combination with application #1, capped at \$5M per applicant per year. Project will be for different wells than for application #1.	\$3,672,200	41	Aug. 2026
Roanoke Rapids Sanitary District	Drinking Water EC Construction Project	Construction	NC0442010	15,630	Halifax	\$31,115,000	Bypassed; met the \$5,000,000 cap per applicant per year in February 2025	\$0	41	
Carolina Water Service, Inc	PFAS Implementation - Tanglewood Estates	Construction	NC0326342	41,320	Cumberland	\$450,313		\$450,313	39	Aug. 2026
Graham, City of	Graham-Mebane WTP Improvements	Construction	NC0201015	18,057	Alamance	\$30,250,000	Last funded project. Partially awarded with all remaining DWSRF-EC funds available for construction in this round.	\$3,441,466	39	Aug. 2026

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Johnston County	TGB WTP PFAS Treatment Addition	Construction	NC0351070, NC4051018	115,332	Johnston	\$4,100,000			38	
Cape Fear Public Utility Authority	Arlington Heights Water Extension PFAS	Construction	NC0465010	181,242	New Hanover	\$2,615,143			37	
Cape Fear Public Utility Authority	Blossom St Area Water Main Ext PFAS	Construction	NC0465010	181,242	New Hanover	\$1,908,224			37	
Cape Fear Public Utility Authority	Brentwood Area Water Main Ext - PFAS	Construction	NC0465010	181,242	New Hanover	\$1,250,808			37	
Cape Fear Public Utility Authority	Burton Area Water Main Ext - PFAS	Construction	NC0465010	181,242	New Hanover	\$2,136,937			37	
Cape Fear Public Utility Authority	Chadwick Acres Area Water Main Ext -PFAS	Construction	NC0465010	181,242	New Hanover	\$657,610			37	
Cape Fear Public Utility Authority	Garden Place CFPWA Water Ext PFAS	Construction	NC0465010	181,242	New Hanover	\$1,280,519			37	
Cape Fear Public Utility Authority	Hanover Gardens Area Water Main Ext-PFAS	Construction	NC0465010	181,242	New Hanover	\$666,649			37	

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Cape Fear Public Utility Authority	Marathon Farms Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$7,780,188			37	
Cape Fear Public Utility Authority	North College Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$959,659			37	
Cape Fear Public Utility Authority	Oakley Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$7,024,392			37	
Cape Fear Public Utility Authority	Old Bridge Site Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$3,430,607			37	
Cape Fear Public Utility Authority	Orange Street Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$1,191,796			37	
Cape Fear Public Utility Authority	Prince George & Lynn Water Ext. to PFAS	Construction	NC0465010	181,242	New Hanover	\$3,085,762			37	
Cape Fear Public Utility Authority	Whitman Water Main Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$1,138,519			37	
Cape Fear Public Utility Authority	Wrightsboro Acres Water Ext. to PFAS	Construction	NC0465010	181,242	New Hanover	\$3,312,783			37	

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
New Hanover County	NHC Garden Place Water Main Ext PFAS	Construction	NC0465010		New Hanover	\$1,963,096			37	
South Granville Water and Sewer Authority	Post-Filter PFAS Treatment Improvements	Construction	NC0239107	17,232	Granville	\$21,718,000			36	
Greensboro, City of	Mitchell WTP Advanced Treatment for EC	Construction	NC0241010	320,756	Guilford	\$87,817,093			34	
Sampson County	Old Warsaw Rd Water Main Extensions	Construction			Sampson	\$3,343,750			30	
Alamance County	Water Service for PFAS Contaminated Well	Construction			Alamance	\$924,190			27	
Burlington, City of	PFAS Drinking Water Treatment Upgrades	Construction	NC0201010	59,287	Alamance	\$28,160,000			27	

Total funding requested: \$326,018,499, including reconsidered applications. Total funding awarded: \$20,521,305.

July 2025 Applications for Evaluation/Assessment Projects – SWIA awards in July 2025 (presented in March 13 – 30, 2026 public comment period)

Since July 2024, Evaluation/Assessment project applications are accepted year-round and presented to SWIA at their next meeting for funding awards from the Evaluation/Assessment Project Reserve. The following applications for Evaluation/Assessment projects were reviewed and awarded DWSRF-EC funding from the FY2024 IIJA DWSRF-EC capitalization grant in SWIA’s July 2025 meeting. Depending on the projects’ timelines, IIJA DWSRF-EC disbursements to projects may come from the FY2025 capitalization grant and hence are included in the FY2025 capitalization grant Intended Use Plan to cover that possibility. Funded projects are shown in the “DWSRF-EC Funding” column.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Aqua North Carolina, Inc.	Brookwood Community Ion Exchange Filters	Evaluation/Assessment Project	NC0326127 NC0326143 NC0326341	16,545	Cumberland	\$500,000		\$500,000	34	Jul. 2026
South Granville Water and Sewer Authority	PFAS Pilot, Planning and Engineering	Evaluation/Assessment Project	NC0239107	18,479	Granville	\$500,000	Previously funded (pilot study, alternatives) awarded Fall 2023. Extending pilot study and design.	\$500,000	29	Jul. 2026
Greensboro, City of	Mitchell WTP ATEC Design	Evaluation/Assessment Project	NC0241010	316,082	Guilford	\$500,000		\$500,000	27	Jul. 2026
Goldsboro, City of	PFAS Treatment Preliminary Engineering	Evaluation/Assessment Project	NC0496010	33,214	Wayne	\$500,000	Previously funded (alternatives & pilot study) in Spring 2024. This application is a prelim engineering work.	\$500,000	24	Jul. 2026

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Harnett County	PFAS Treatment Evaluation and Pilot Test	Evaluation/ Assessment Project	NC0343045	111,655	Harnett	\$500,000	Previously funded in Fall 2023. Previous project was pilot study. Additional funds for preliminary engineering.	\$500,000	22	Jul. 2026

Total funding requested: \$2,500,000. Total funding awarded: \$2,500,000.

Fall 2024 Application Round for Construction Projects – SWIA awards in February 2025 (presented in the Feb 28 - March 14, 2025 public comment period)

The following applications for Construction projects were reviewed and awarded DWSRF-EC funding from the FY2024 IJJA DWSRF-EC capitalization grant. Depending on the projects’ timelines, IJJA DWSRF-EC disbursements to projects may come from the FY2025 capitalization grant and hence are included in the FY2025 capitalization grant Intended Use Plan to cover that possibility. Funded projects are shown in the “DWSRF-EC Funding” column.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Fayetteville Public Works Commission	PO Hoffer/Glenville Lake WTP GAC Facility	Construction	NC0326010	214,405	Cumberland	\$51,182,600	Bypassed, previously awarded \$5,000,000 DW EC (cap per year)		43	
Roanoke Rapids Sanitary District	Drinking Water EC Construction Project	Construction	NC0442010	15,630	Halifax	\$31,115,000	Last funded project; reserving funds for Evaluation/Assessment Project Reserve and Spring 2025 applications. Partially funded due to \$5M cap.	\$5,000,000	41	Feb. 26
Graham, City of	Graham-Mebane WTP Improvements	Construction	NC0201015	18,057	Alamance	\$30,250,000			39	
Johnston County	TGB WTP PFAS Treatment Addition	Construction	NC0351070, NC4051018	115,332	Johnston	\$4,100,000			38	
Cape Fear Public Utility Authority	Brentwood Area Water Main Ext - PFAS	Construction	NC0465010	181,242	New Hanover	\$1,250,808			37	

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Cape Fear Public Utility Authority	Chadwick Acres Area Water Main Ext -PFAS	Construction	NC0465010	181,242	New Hanover	\$657,610			37	
Cape Fear Public Utility Authority	Hanover Gardens Area Water Main Ext-PFAS	Construction	NC0465010	181,242	New Hanover	\$666,649			37	
Cape Fear Public Utility Authority	Garden Place CFPWA Water Ext PFAS	Construction	NC0465010	181,242	New Hanover	\$1,280,519			37	
Cape Fear Public Utility Authority	Wrightsboro Acres Water Ext. to PFAS	Construction	NC0465010	181,242	New Hanover	\$3,312,783			37	
Cape Fear Public Utility Authority	Arlington Heights Water Extension PFAS	Construction	NC0465010	181,242	New Hanover	\$2,615,143			37	
Cape Fear Public Utility Authority	Whitman Water Main Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$1,138,519			37	
Cape Fear Public Utility Authority	Prince George & Lynn Water Ext. to PFAS	Construction	NC0465010	181,242	New Hanover	\$3,085,762			37	
Cape Fear Public Utility Authority	Old Bridge Site Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$3,430,607			37	

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Cape Fear Public Utility Authority	North College Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$959,659			37	
Cape Fear Public Utility Authority	Orange Street Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$1,191,796			37	
Cape Fear Public Utility Authority	Oakley Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$7,024,392			37	
Cape Fear Public Utility Authority	Marathon Farms Water Ext. to PFAS Wells	Construction	NC0465010	181,242	New Hanover	\$7,780,188			37	
Cape Fear Public Utility Authority	Blossom St Area Water Main Ext PFAS	Construction	NC0465010	181,242	New Hanover	\$1,908,224			37	
Cape Fear Public Utility Authority	Burton Area Water Main Ext - PFAS	Construction	NC0465010	181,242	New Hanover	\$2,136,937			37	
New Hanover County	NHC Garden Place Water Main Ext PFAS	Construction	NC0465010		New Hanover	\$1,963,096			37	
Greensboro, City of	Mitchell WTP Advanced Treatment for ECs	Construction	NC0241010	319,588	Guilford	\$55,674,000			34	

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Goldsboro, City of	PFAS Treatment Improvement Project	Construction	NC0496010	34,959	Wayne	\$35,584,800			29	
Burlington, City of	PFAS Drinking Water Treatment Upgrades	Construction	NC0201010	60,985	Alamance	\$28,160,000			27	

Total funding requested: \$276,469,092. Total funding awarded: \$5,000,000.

February 2025 Applications for Evaluation/Assessment Projects – SWIA awards in February 2025 (presented in the Feb 28 - March 14, 2025 public comment period)

Since July 2024, evaluation/Assessment project applications are accepted year-round and presented to SWIA at their next meeting for funding awards from the Evaluation/Assessment Project Reserve. The following applications for Evaluation/Assessment projects were reviewed and awarded DWSRF-EC funding from the FY2024 IJA DWSRF-EC capitalization grant in SWIA’s February 2025 meeting. Depending on the projects’ timelines, IJA DWSRF-EC disbursements to projects may come from the FY2025 capitalization grant and hence are included in the FY2025 capitalization grant Intended Use Plan to cover that possibility. Funded projects are shown in the “DWSRF-EC Funding” column.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Carolina Water Service, Inc.	PFAS Implementation Program	Evaluation/Assessment Project	Multiple	>10,000	Multiple	\$500,000		\$500,000	25	Feb. 26
Cumberland County	Cedar Creek Area PER to address PFAS	Evaluation/Assessment Project	N/A New System	N/A	Cumberland	\$500,000		\$500,000	25	Feb. 26

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Durham, City of	Durham PFAS Consulting Support	Evaluation/ Assessment Project	NC0332010	322,083	Durham	\$392,495		\$392,495	10	Feb. 26

Total funding requested: \$1,392,495. Total funding awarded: \$1,392,495.

December 2024 Applications for Evaluation/Assessment Projects – SWIA awards in December 2024 (presented in the Feb 28 - March 14, 2025 public comment period)

Since July 2024, evaluation/Assessment project applications are accepted year-round and presented to SWIA at their next meeting for funding awards from the Evaluation/Assessment Project Reserve. The following applications for Evaluation/Assessment projects were reviewed and awarded DWSRF-EC funding from the FY2024 IJJA DWSRF-EC capitalization grant in SWIA’s December 2024 meeting. Depending on the projects’ timelines, IJJA DWSRF-EC disbursements to projects may come from the FY2025 capitalization grant and hence are included in the FY2025 capitalization grant Intended Use Plan to cover that possibility. Funded projects are shown in the “DWSRF-EC Funding” column.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Funding	Priority Points	Estimated Binding Commitment
Bessemer City	Emerging Contaminants Study	Evaluation/ Assessment Project	NC0136025	5,690	Gaston	\$500,000		\$500,000	32	Dec. 25
Piedmont Triad Regional Water Authority	Emerging Contaminants Study	Evaluation/ Assessment Project	NC3076010	367,681	Randolph	\$500,000		\$500,000	22	Dec. 25
Orange Water and Sewer Authority	PFAS Treatment at Jones Ferry WTP	Evaluation/ Assessment Project	NC0368010	86,300	Orange	\$500,000		\$500,000	16	Dec. 25

Total funding requested: \$1,500,000. Total funding awarded: \$1,500,000.

Spring 2024 Application Round – SWIA Awards in July 2024 – Funded Projects shown in the “DWSRF-EC Funding” column

The following applications were reviewed and awarded IJIA DWSRF-EC funding initially from the FY2022 and/or FY2023 IJIA DWSRF-EC capitalization grant. Depending on the projects’ timelines, IJIA DWSRF-EC disbursements to projects may come from the FY2025 capitalization grant and hence are included in the FY2025 capitalization grant Intended Use Plan to cover that possibility.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Neuse Regional Water and Sewer Authority	PFAS Treatment	Construction	NC6054001	93,238	Lenoir	\$32,160,000	Previously partially funded. \$2.16M fully funds remainder.	\$2,160,000	60	Feb. 25
Fayetteville Public Works Commission	PO Hoffer Glenville Lake GAC Construction	Construction	NC0326010	214,137	Cumberland	\$74,307,300	Previously partially funded. Co-funded with DWSRF.	\$5,000,000	58	Feb. 25
Fuquay-Varina, Town of	Sanford WFF - GAC Facility	Construction	NC0392055	39,065	Wake	\$10,532,889	Co-funded with DWSRF.	\$5,000,000	56	Aug. 25
Holly Springs, Town of	Sanford WFF Expansion – GAC Facility	Construction	NC0392050	45,058	Wake	\$7,021,926	Co-funded with DWSRF.	\$5,000,000	54	Aug. 25
Cape Fear Public Utility Authority	Alandale Area Water Extension - PFAS	Construction	NC0465010	205,385	New Hanover	\$2,548,075	To be funded with EC-SDC funds		54	
Aqua North Carolina, Inc	Brookwood Community Ion Exchange Filters	Construction	NC0326127; NC0326124; NC0326332	31,213	Cumberland	\$5,795,400	Last funded construction project to fund evaluation/assessment projects. Co-funded with DWSRF.	\$1,447,440	52	Aug. 25

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Greensboro, City of	Greensboro Mitchell ATEC	Construction	NC0241010	320,756	Guilford	\$55,674,000	Bypassed to fund Evaluation/ Assessment Reserve		50	
Bald Head Island, Town of	BHI DW Construction-Emerging Contaminant	Construction	NC0410130	3,291	Brunswick	\$5,000,000	Bypassed to fund Evaluation/ Assessment Reserve		49	
South Granville Water and Sewer Authority	Post-Filter PFAS Treatment Improvements	Construction	NC0239107	17,232	Granville	\$22,210,000	Bypassed to fund Evaluation/ Assessment Reserve		47	
Goldsboro, City of	PFAS Treatment Improvement Project	Construction	NC0496010	34,959	Wayne	\$35,584,800	Bypassed to fund Evaluation/ Assessment Reserve		46	
Greenville Utilities Commission	GAC Filter Media Replacement	Construction	NC0474010	103,140	Pitt	\$1,815,000	Bypassed to fund Evaluation/ Assessment Reserve		42	
Burlington, City of	GAC Construction Project	Construction	NC0201010	59,287	Alamance	\$28,160,000	Bypassed to fund Evaluation/ Assessment Reserve		40	
Cape Fear Public Utility Authority	Rockhill Area Water Extension - PFAS	Construction	NC0465010	205,385	New Hanover	\$671,700	Bypassed to fund Evaluation/ Assessment Reserve		39	
Roanoke Rapids Sanitary District	Drinking Water Emerging Contaminant Study	Evaluation/Assessment Project	NC0442010	16,615	Halifax	\$500,000		\$500,000	39	Aug. 25

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Piedmont Triad Regional Water Authority	PFAS Construction RO Treatment System	Construction	NC3076010	367,681	Randolph	\$74,646,250	Bypassed to fund Evaluation/ Assessment Reserve		37	
Goldsboro, City of	PFAS Treatment Evaluation and Pilot	Evaluation/Assessment Project	NC0496010	34,959	Wayne	\$500,000		\$500,000	31	Aug. 25
Orange Water and Sewer Authority	PFAS Treatment at Jones Ferry WTP	Evaluation/Assessment Project	NC0368010	86,300	Orange	\$500,000		\$500,000	28	Aug. 25
Asheboro, City of	W L Brown WTP Emerg Cont Planning Study	Evaluation/Assessment Project	NC0276010	27,472	Randolph	\$500,000		\$500,000	23	Aug. 25
Rocky Mount, City of	PFAS Treatment at Rocky Mount WTPs	Evaluation/Assessment Project	NC0464010	55,047	Nash	\$500,000		\$500,000	22	Aug. 25
Total						\$358,627,340		\$21,107,440		

Total funding requested: \$358,627,340, including reconsidered applications. Total funding awarded: \$21,107,440.

Fall 2023 Application Round – SWIA Funding Awards in February 2024 – Funded Projects shown in the “DWSRF-EC Funding” column

The following applications were reviewed and awarded IJA DWSRF-EC funding initially from the FY2022 and/or FY2023 IJA DWSRF-EC capitalization grant. Depending on the projects’ timelines, IJA DWSRF-EC disbursements to projects may come from the FY2024 capitalization grant and hence are included in the FY2024 capitalization grant Intended Use Plan to cover that possibility.

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Cumberland County	Gray's Creek Phase 1	Construction	NC5026026	124	Cumberland	\$7,637,000	Co-funded with DWSRF	\$5,000,000	60	Feb. 25
Neuse Regional Water and Sewer Authority	PFAS Treatment	Construction	NC6054001	93,238	Lenoir	\$31,142,000	Co-funded with DWSRF	\$5,000,000	60	Feb. 25
Fayetteville Public Works Commission	PO Hoffer Glenville Lake GAC Constructio	Construction	NC0326010	213,253	Cumberland	\$74,307,300	Last funded construction project to fund evaluation/assessment projects. Co-funded with DWSRF.	\$5,000,000	58	Feb. 25
Fuquay-Varina, Town of	Sanford WFF - GAC Facility	Construction	NC0392055	39,065	Wake	\$10,532,889	Bypassed to fund Evaluation/Assessment Reserve		56	
Holly Springs, Town of	Sanford WFF Expansion – GAC Facility	Construction	NC0392050	45,058	Wake	\$7,021,926	Bypassed to fund Evaluation/Assessment Reserve		54	

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Cape Fear Public Utility Authority	Alandale Area Water Extension - PFAS	Construction	NC0465010	205,385	New Hanover	\$2,548,075	Bypassed to fund Evaluation/Assessment Reserve		54	
Aqua North Carolina, Inc	Brookwood Community Ion Exchange Filters	Construction	NC0326127, NC0326332, NC0326124	15,665	Cumberland	\$5,795,400	Bypassed to fund Evaluation/Assessment Reserve		52	
Bald Head Island, Town of	BHI DW Construction-Emerging Contaminant	Construction	NC0410130	3,291	Brunswick	\$5,000,000	Bypassed to fund Evaluation/Assessment Reserve		49	
South Granville Water and Sewer Authority	Post-Filter PFAS Treatment Improvements	Construction	NC0239107	18,479	Granville	\$22,210,000	Bypassed to fund Evaluation/Assessment Reserve		47	
Cumberland County	Cedar Creek Phase I	Construction	New system	New	Cumberland	\$18,473,000	Bypassed to fund Evaluation/Assessment Reserve		45	
Greensboro, City of	Greensboro Mitchell ATEC	Construction	NC0241010	320,756	Guilford	\$55,674,000	Bypassed to fund Evaluation/Assessment Reserve		45	
Neuse Regional Water and Sewer Authority	PFAS Treatment Study	Evaluation/Assessment Project	NC6054001	93,238	Lenoir	\$500,000		\$500,000	45	Jan. 25

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Fayetteville Public Works Commission	PO Hoffer Glenville GAC Design	Evaluation/ Assessment Project	NC0326010	213,253	Cumberland	\$4,758,400	Cap is \$500k for evaluation/ assessment projects	\$500,000	43	Jan. 25
Greenville Utilities Commission	GAC Filter Media Replacement	Construction	NC74010	103,140	Pitt	\$1,815,000	Bypassed to fund Evaluation/ Assessment Reserve		42	
Carthage, Town of	PFAS Compliance Planning Study	Evaluation/ Assessment Project	NC0363025	2,635	Moore	\$400,000		\$400,000	42	Jan. 25
Martin County Regional Water and Sewer Authority	PFAS Eval. & Assessment Study for WTP	Evaluation/ Assessment Project	NC6059015	10,162	Martin	\$500,000		\$500,000	41	Jan. 25
Cape Fear Public Utility Authority	Rockhill Area Water Extension - PFAS	Construction	NC0465010	205,385	New Hanover	\$671,700	Bypassed to fund Evaluation/ Assessment Reserve		39	
Piedmont Triad Regional Water Authority	PFAS Construction RO Treatment Sys	Construction	NC3076010	367,681	Randolph	\$74,646,250	Bypassed to fund Evaluation/ Assessment Reserve		37	
Graham, City of	Drinking Water EC Study	Evaluation/ Assessment Project	NC0201015	18,507	Alamance	\$500,000		\$500,000	37	Jan. 25

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Norwood, Town of	Norwood PFAS Study Project	Evaluation/ Assessment Project	NC0184015	4,252	Stanly	\$500,000		\$500,000	34	Jan. 25
Siler City, Town of	PFOS Compliance Planning Study	Evaluation/ Assessment Project	NC0319010	8,474	Chatham	\$400,000		\$400,000	33	Jan. 25
South Granville Water and Sewer Authority	Pilot Evaluation and Planning Study	Evaluation/ Assessment Project	NC0239107	18,479	Granville	\$500,000		\$500,000	32	Jan. 25
Harnett County	Harnett Regional WTP PFAS Pilot Study	Evaluation/ Assessment Project	NC0343045	111,655	Harnett	\$500,000		\$500,000	29	Jan. 25
Johnston County	TGB WTP PFAS Treatment Study	Evaluation/ Assessment Project	NC4051018	42,638	Johnston	\$330,000		\$330,000	28	Jan. 25
Rocky Point Topsail Water and Sewer District	PFAS Treatment Alternatives Study	Evaluation/ Assessment Project	NC7071011	30,506	Pender	\$400,000		\$400,000	27	Jan. 25
Burlington, City of	City of Burlington EC Study	Evaluation/ Assessment Project	NC0201010	59,287	Alamance	\$500,000		\$500,000	25	Jan. 25
Lumberton, City of	PFAS Study Water Treatment Plant	Evaluation/ Assessment Project	NC0378010	24,460	Robeson	\$500,000		\$500,000	24	Jan. 25

Applicant Name	Project Name	Project Type	PWSID	Service Population	County	Total Funding Request	Notes	DWSRF-EC Principal Forgiveness Funding	Priority Points	Estimated Binding Commitment
Piedmont Triad Regional Water Authority	PFAS Study- RO Treatment System	Evaluation/ Assessment Project	NC3076010	367,681	Randolph	\$500,000		\$500,000	22	Jan. 25
					Total	\$328,262,940		\$21,530,000		

Total funding requested: \$328,262,940. Total awarded: \$21,530,000.

TOTALS

Cumulative awards to date = \$83,710,120. This is split between FY2022 DWSRF-EC cap grant (\$22,425,600), FY2023 DWSRF-EC cap grant (\$20,211,840), FY2024 DWSRF-EC cap grant (\$20,860,840), and FY2025 DWSRF-EC cap grant (\$20,211,840). **FY2026 DWSRF-EC cap grant awards will be determined from Spring 2026 through Fall 2026. Additional funding rounds will be used as needed to fully obligate the funding assistance.**

	FY2022 DWSRF-EC	FY2023 DWSRF-EC	FY2024 DWSRF-EC	FY2025 DWSRF-EC (through February 2026 awards)	FY2026 DWSRF-EC	Total Over Five Cap Grants
Total Awarded	\$22,425,600	\$20,211,840	\$20,860,840	\$20,211,840	TBD	Will be determined on/after Feb. 2027. To date: \$83,710,120.
Funding Availability (excluding set-asides)	\$22,425,600	\$ 20,211,840	\$20,860,840 (including reallocations)	\$20,211,840	\$20,211,840	\$103,921,960

Appendix C
2026 IJA DWSRF-EC Proposed Payment Schedule
 (Dependent on timing of award of federal grant)

This proposed schedule may be updated in the final Intended Use Plan.

<u>Payment Quarter</u>	<u>2026 DWSRF-EC Payment Amount</u>
October 1, 2026 - December 31, 2026	
January 1, 2027 - March 31, 2027	
April 1, 2027 – June 30, 2027	
July 1, 2027 - September 30, 2027	
October 1, 2027 - December 31, 2027	
January 1, 2028 - March 31, 2028	
April 1, 2028 – June 30, 2028	\$500,000
July 1, 2028 - September 30, 2028	
October 1, 2028 - December 31, 2028	
January 1, 2029 - March 31, 2029	
April 1, 2029 – June 30, 2029	\$2,000,000
July 1, 2029 - September 30, 2029	
October 1, 2029 - December 31, 2029	
January 1, 2030 - March 31, 2030	
April 1, 2030 – June 30, 2030	\$10,000,000
July 1, 2030 - September 30, 2030	
October 1, 2030 - December 31, 2030	
January 1, 2031 - March 31, 2031	
April 1, 2031 – June 30, 2031	\$5,000,000
July 1, 2031 - September 30, 2031	
October 1, 2031 - December 31, 2031	
January 1, 2032 - March 31, 2032	
April 1, 2032 – June 30, 2032	\$2,554,000
July 1, 2032 - September 30, 2032	
October 1, 2032 - December 31, 2032	\$1,000,000
January 1, 2033 - March 31, 2033	
April 1, 2033 – June 30, 2033	
Total	\$21,054,000

Appendix D

Proposed PRIORITY RATING SYSTEM for DWSRF-EC Projects

No changes are proposed from the Priority Rating System for EC projects that was finalized by the State Water Infrastructure Authority in April 2024 after a public comment period was completed between March 1 – April 1, 2024.

Proposed PRIORITY RATING SYSTEM for DWSRF-EC Projects				
<p><u>Instructions:</u> For each line item, mark "X" to claim the points for that line item. Be sure that your narrative includes justification for every line item claimed. At the end of each Category, provide the total points claimed for each program in the subtotal row for that category. Then add the subtotals from each category and enter the Total of Points for All Categories in the last line. Note that some categories have a maximum allowed points that may be less than the total of individual line items.</p>				
Line Item #	EC Line Item [†]	Category 1 – Project Purpose (Points will be awarded for <u>only one</u> Project Purpose)	Claimed Yes/No	Points
1.A – 1.E		Reserved for other drinking water projects (not to be used for DWSRF-EC funds)		
1.F – 1.I		Reserved for other programs		
1.J		Project addresses PFAS emerging contaminants		
1.J.1	EC	Sole purpose of the project is to address Emerging Contaminants (construction projects) where 100% of the costs are associated with this purpose OR		12
1.J.2	EC	At least 75% of the project costs are to address Emerging Contaminants (construction projects) OR		5
1.J.3	EC	Sole purpose of the project is to evaluate alternatives to address Emerging Contaminants (may include pilot scale treatment study)		5
Maximum points for Category 1 – Project Purpose				12
Subtotal claimed for Category 1 – Project Purpose				
Line Item #	EC Line Item [†]	Category 2 – Project Benefits	Claimed Yes/No	Points
2.A – 2.F.1		Reserved for other programs		
2.F.2	EC	Project includes system regionalization and/or system partnerships		5
2.G		Reserved for other drinking water projects		

Proposed PRIORITY RATING SYSTEM for DWSRF-EC Projects				
2.H		Project addresses contamination		
2.H.1 – 2.H.2		Reserved for other drinking water projects (not to be used for DWSRF-EC funds)		
2.H.3	EC	Project addresses any PFAS compounds exceeding 10 ppt or State-established regulatory standards or limits OR		2
2.H.4	EC	Project addresses PFAS exceeding proposed or promulgated MCL or Hazard Index		5
2.I – 2.T		Reserved for other programs		
Maximum points for Category 2 – Project Benefits				10
Subtotal claimed for Category 2 – Project Benefits				
Line Item #	EC Line Item[†]	Category 3 – System Management	Claimed Yes/No	Points
3.A		Capital Planning Activities		
3.A.1	EC	Applicant has implemented an Asset Management Plan as of the date of application OR		10
3.A.2	EC	Applicant has a current Capital Improvement Plan (CIP) that spans at least 10 years and proposed project is included in the plan		2
3.B	EC	System Operating Ratio is greater than or equal to 1.00 based on a current audit, or is less than 1.00 and unit cost is greater than 2.5% of MHI		5
3.C – 3.F		Reserved for other programs		
Maximum points for Category 3 – System Management				15
Subtotal claimed for Category 3 – System Management				
Line Item #	EC Line Item[†]	Category 4 – Affordability	Claimed Yes/No	Points
4.A		Residential Connections		
4.A.1	EC	Less than 10,000 residential connections OR		2
4.A.2	EC	Less than 5,000 residential connections OR		4
4.A.3	EC	Less than 1,000 residential connections		8

Proposed PRIORITY RATING SYSTEM for DWSRF-EC Projects				
4.B		Current Monthly Combined Utility Rates at 5,000 Usage		
4.B.1	EC	Greater than the 50 th percentile OR		4
4.B.2	EC	Greater than the 70 th percentile OR		6
4.B.3	EC	Greater than the 85 th percentile OR		8
4.B.4	EC	Greater than the 95 th percentile		10
4.C		Local Government Unit (LGU) Indicators		
4.C.1	EC	3 out of 5 LGU indicators worse than state benchmark OR		3
4.C.2	EC	4 out of 5 LGU indicators worse than state benchmark OR		5
4.C.3	EC	5 out of 5 LGU indicators worse than state benchmark OR		7
4.C.4	EC	Project benefits disadvantaged areas		5
4.D – 4.G		Reserved for other programs		
Maximum points for Category 4 – Affordability				25
Subtotal claimed for Category 4 – Affordability[‡]				
Total of Points for All Categories				

[†] Only line items marked with “EC” will be used in scoring eligible applications for DWSRF-EC funding. These applications will also be scored using the full PRS for all other drinking water funding sources.

[‡]Local government units under Local Government Commission’s fiscal control that have received an Emergency Operating Grant under NC GS 159G-34.5 in the current or prior fiscal year qualify for the maximum points for Category 4: Affordability.