



# North Carolina Department of Environmental Quality Priority Rating System Guidance and Form for Division of Water Infrastructure Emerging Contaminants Studies



(Last updated: December 2025) Updates in red font.

This guidance aids the applicant in understanding and implementing the Priority Rating System (PRS) when applying for funding from the **Infrastructure Investment and Jobs Act (IIJA) Drinking Water State Revolving Fund Emerging Contaminants Studies (DWSRF-EC-S) and Infrastructure Investment and Jobs Act (IIJA) Clean Water State Revolving Fund Emerging Contaminants Studies (CWSRF-EC-S) only.**

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# Priority Rating System Guidance

## 1.0 Submittal Requirements

### 1.1 General Information to Remember

- Request all the priority points you want to receive. The Division of Water Infrastructure (DWI) does not award unrequested priority points, other than as specified in this guidance document.
- Submit all required supporting documentation for the requested priority points as part of the narrative. DWI will not request additional information or documentation and will determine priority points based solely on the information submitted.
- In the narrative, provide the page number or clear reference to a specific page in the supporting documentation to support the claim for priority points for each line item, if applicable. This enables a more efficient review. Points may not be awarded if documentation cannot be located by reviewers.
- Where the guidance requires summaries in the narrative, provide only additional relevant information. For example, Line Item 3.A.1 requires a summary of an asset management plan, plus a Capital Improvement Plan (CIP) matrix with the project highlighted and associated resolution showing adoption of the CIP. Do not provide the entire asset management plan/asset registry as part of supporting documentation.
- DWI reviews each application as a stand-alone application. DWI will not search other applications or previously submitted applications from the same applicant for missing information. Provide all relevant information in each application, even if it is submitted in a different application.
- Be sure each copy of the application and each application includes all required or relevant information.

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### 1.2 Priority Rating System Score Sheet

**A completed Priority Rating System (PRS) score sheet form must be submitted with the funding application.** There is only one PRS score sheet at the end of this document. To claim points for a particular line item, mark “X” on the score sheet. For each point category, provide the subtotal of points claimed on the score sheet.

### 1.3 Priority Rating System Narrative

**A PRS narrative, along with supporting documentation as required by this guidance, must also be submitted with the funding application.** The narrative is part of the application. Follow the outline in Table 1 below; the categories correspond to the categories in the Priority Rating System score sheet. Address every applicable line item.

**Table 1. Basic Outline for Project Narratives**

Category 1	Project Purpose
Category 2	Project Benefits
Category 3	System Management
Category 4	Affordability

- The narrative must be consistent with information in the Division of Water Infrastructure Rolling Application for Funding (DWI Application), Water/Sewer Financial Information Form, and other supporting information.
- The narrative must be completed to provide for accurate rating, and concise enough that critical information is not lost in unnecessary text. Text should only provide information related to this PRS (e.g., do not describe other benefits that are not included in the PRS).
- If there are no applicable points in any given category, state that there are no applicable points under that heading.
  - When the narrative is supported with additional documentation, please reference a page number, section number, or other clear reference to the page location to aid staff in finding the specific part of the supporting documentation relevant to each line item in the narrative.
  - Maps are very useful in determining priority points. Maps should include sufficient labels of geographical references and be at a readable scale. Individual line items may require specific maps as listed below. Include maps in the supporting documentation file.

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## 2.0 Priority Rating System Narrative Guidance

### 2.1 Category 1 – Project Purpose

An application can earn points in Category 1 based on the Project Purpose as documented in this section. For this particular program (DWSRF-EC-S), only one type of project purpose is allowed (Line Item 1.J.3).

The project narrative must fully describe the proposed project and how each element serves to fulfill the purpose of an EC study. The claimed Project Purpose must be consistent with all information provided in the rolling application (Section 6) and the budget (Section 8).

If the project does not qualify for Line Item 1.J.3, it is not eligible for funding.

#### **Important to Remember**

To earn priority points for a Project Purpose, **all parts of the project must serve the claimed Project Purpose**. If any part of the project does not serve the higher-scoring Project Purpose, the application earns only the points for a lower-scoring Project Purpose that all elements of the project serve.

### 2.1.1 Line Item 1.J – Project Will Address Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) –

North Carolina’s Infrastructure Investment and Jobs Act (IIJA) Emerging Contaminants (DWSRF-EC and CWSRF-EC) program prioritizes drinking water and Clean Water projects with PFOA, PFOS, PFHxS, PFNA, or GenX exceeding Maximum Contaminant Levels (MCLs) or project addressing drinking water with mixtures of two or more PFHxS, PFNA, GenX, and PFBS compounds exceeding the Hazard Index of 1.0 as announced by EPA on April 10, 2024. Projects addressing PFAS in drinking Water are only eligible for DWSRF-EC-S funds and Projects addressing PFAS in wastewater/ground water is only eligible for CWSRF-EC- S funds.

#### **Important to Remember**

Addressing PFAS means:

- New water supply meets final MCLs, is below Hazard Index (if established) and below detection level for any other non- regulated PFAS compounds, or
- Treatment processes are designed to reduce respective emerging contaminants to below final MCLs, below Hazard Index (if established) or below detection level for any other non- regulated PFAS compounds.

An Application to evaluate options to address PFAS can earn priority points for only Line Item 1.J.3. To qualify for Line Item 1.J.3 points, the purpose of the project must be to address **PFAS. The project must also receive 2.H.3 or 2.H.4 /points.**

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### 2.1.2 Line Item 1.J.3- Project Evaluates Alternatives to Address Emerging Contaminants

Priority is available for projects evaluating alternatives including but not limited to new water supply sources, interconnections, or treatment system upgrades to address PFAS contamination. Projects conducting pilot testing of treatment alternatives are eligible for these points. Evaluations may include non-routine sampling associated with the project.

#### **Points Available**

- Wastewater – Not applicable
- Drinking Water – Not applicable
- BIL EC-S Funds – 5 points

DW-EC study projects, once funded and prior to conducting the study, the study proposal is subject to review and approval by the DWR PWS.

Projects evaluating alternatives to resolve PFAS contamination must document the issue by claiming and receiving 2.H.3 or 2.H.4 points. Project description should have a draft scope proposal and how the proposed project will help address the PFAS contamination.

#### **Important to Remember**

Emerging Contaminant preconstruction planning (study) projects will not be considered for funding from the DWSRF/CWSRF base funds for construction projects.

## 2.2 Category 2 – Project Benefits

To earn points in this section, only a portion of the project must relate to a specific benefit. Applications earn Project Benefits points only when the Applicant identifies a direct connection between the project and the type of expected benefit.

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### 2.2.1 Line Item 2.F.2 – System Regionalization and/or System Partnerships

An application may earn points under this line item if the project will regionalize systems or result in a partnership between two or more systems that retain separate ownership. In this context, a regionalization or partnership can include the physical interconnection of wastewater systems for the purposes of regional wastewater treatment or the physical interconnection of a drinking water system with another drinking water system under separate ownership for the purposes of providing a drinking water supply. System partnerships may include agreements to manage, operate, or provide staff or resources to partnering systems while not consolidating ownership of the systems.

Systems partnering with one another to address PFAS contamination may be eligible for Line Item 2.F.2 points if the project claims and receives either Line Item 2.H.3 or 2.H.4 points. **The narrative must explain how the partnership will benefit measures to address PFAS contamination of one or all partnering entities.**

#### Required Documentation

To document these points, do the following:

- Identify the systems. Clearly identify the systems by name and include the PWSID Number or NPDES number if applicable. State who owns each system;
- Describe the regionalization of the system and how it is managed; and
- Describe the type of regionalization. The narrative must describe how the project will result in a regionalization.
  - Describe the current and proposed relationship between the systems, including any physical interconnections, agreements to share capacity or services or staff.
  - Describe the agreements between the owners of each system.
  - Submit an interlocal agreement (ILA) between the systems, stating the intent to regionalize or partner with systems on a long-term basis. An ILA conditional upon other work being

#### Important to Remember

For Category 2 – Project Benefits, the maximum number of points that a project can earn is capped at 35 points, even if the project documents Project Benefits Line Items summing to more than 35 points.

#### Points Available

- Wastewater – Not applicable
- Drinking Water – Not applicable
- BIL EC-S Funds – 5 points

#### Important to Remember

For projects addressing PFAS, eligibility of Line Item 2.F.2 is limited to new and proposed partnerships specifically formulated to address PFAS contamination.

#### Important to Remember

An applicant is eligible for these regionalization points up to two years after the date of regionalization. Such an applicant must provide documentation showing date of the agreement.

completed prior to the partnership or regionalization taking effect is acceptable. A draft ILA may also be accepted.

- Other documentation, such as contractual agreements or a memorandum of understanding (MOU) or Board resolution of intent to regionalize or partner with another system, will be considered on a case-by-case basis.
- If a project is requesting SRF-EC funds, describe how the partnership will help address the existing PFAS contamination issue.

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### **2.2.2 Line Item 2.H – Project Addresses Contamination**

The Applicant may qualify for only one of the following sub-categories (Line Items 2.H.3 or 2.H.4).

The documentation must show that the existing treatment does not reduce the contaminant concentrations to levels below the relevant limit.

To earn points for either one of these line items, the documentation must show that the project will improve water quality.

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### **2.2.3 Line Item 2.H.1 – Acutely Contaminated Water Supply System Source**

Line Item 2.H.1 is not applicable to the EC-S program.

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### **2.2.4 Line Item 2.H.2 – Other than Acutely Contaminated Water Supply System Source**

Line Item 2.H.2 is not applicable to the EC-S program.

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### **2.2.5 Line Item 2.H.3 – Project Addresses PFAS Compounds Exceeding 10 ppt or State-Established Regulatory Standards and Line Item 2.H.4 – Project Addresses PFAS Compounds Exceeding Proposed MCL or Hazard Index**

To earn points under Line Item 2.H.3 or 2.H.4, the project must study solutions to address PFAS contamination. Planning may include assessment studies, pilot testing treatment technologies, design and alternatives analysis for future construction projects, preconstruction planning projects, etc.

To be eligible for Line Item 2.H.3. points the project must address Any PFAS compounds exceeding 10 ppt where the proposed project will have a design level of below detection level for that compound.

To be eligible for Line Item 2.H.4. points the project must address:

#### **Points Available for Line Item 2.H.3**

- Wastewater – Not applicable
- Drinking Water – Not applicable
- DWSRF-EC-S Funds –2 points

#### **Points Available for Line Item 2.H.4**

- Wastewater – Not applicable
- Drinking Water – Not applicable
- DWSRF-EC-S funds – 5 points

- PFOA and/or PFOS compounds exceeding final MCL of 4.0 ppt where the proposed project will have a design level of below the final MCL, or
- PFHxS, PFNA, or GenX compounds exceeding final MCL of 10 ppt where the proposed project will have a design level of below final MCL, or
- A Hazard Index (HI) exceeding 1.0 for mixture containing two or more of GenX, PFBS, PFNA, and PFHxS compounds and proposed project will be designed to get the HI below 1.0.

### Required Documentation

The narrative must describe how the project will address PFAS in the quality of the finished drinking water, discharged wastewater, or wastewater residuals as a result of the proposed project in meeting the respective final MCLs, and must include the following:

- A description of the contaminated source
  - The source type (e.g., well, surface water, wastewater) and production capacity (if applicable);
  - When and how the contamination was discovered; and
  - When, how and why the source became contaminated, if known;
- Document the presence of PFAS by providing copies of the most recent laboratory test results showing that the PFAS compounds in the finished drinking water or discharged wastewater exceed the final MCLs for PFOA, PFOS, PFHxS, PFNA, GenX HI for a mixture of GenX, PFBS, PFNA and PFHxS, or 10 ppt for any other unregulated PFAS compound. The lab must use a validated drinking water method, such as EPA Method 533 or 537.1, or a validated non-potable water method, such as Method 8327 or 1633.
  - Public water systems must provide at least one sample exceeding a threshold value(s) and data should not be older than 12 months from the date of application.
  - Private or individual drinking water wells must provide at least one sample exceeding a threshold value(s) and data should not be older than three years from the date of application.
- If the project is addressing more than one contaminated well or discharge system, provide a summary table listing each well or discharge and its most recent laboratory test result for the exceeded detection level/proposed MCLs or Hazard Index.
- A description as to how the project will address PFAS
  - Description of new or improved water or wastewater infrastructure (if applicable);
  - Description of the anticipated levels of PFAS after the treatment or changing source;
- A description of the affected population

#### **Important to Remember**

Addressing PFAS means:

- New water supply meets MCLs, is below Hazard Index (if established), and is below detection level for any other non-regulated PFAS compounds, or
- Treatment processes are designed to reduce respective emerging contaminants to below MCLs, below the HI or below detection level for any other non-regulated PFAS compounds.

#### **Important to Remember**

Refer to 89 FR 3262, Wednesday, April 26, 2024/Final Rule for details on EPA's Proposed MCLs and on how to calculate Hazard Index.



- For public systems: A map showing the location of the project, the service area of the impacted community and/or discharge location, and the location of the contaminated source;
- For private systems: A project map that clearly shows specific locations of street names and house numbers of wells with Emerging contaminant exceedances,
- The PWSID and number of water service connections or NPDES permit and discharge location (if applicable)
- If the project is addressing more than one contaminated well or discharge system, provide a summary table listing each well or discharge and its most recent laboratory test result for the exceeded detection level/final MCLs or Hazard Index.
- For Drinking Water PFAS study projects only, applicants can earn 2.H.3 or 2.H.4 points by documenting special circumstances where there is evidence that the PFAS in treated drinking water will exceed the MCLs in the near future. Applicants must discuss with the Division and obtain Division approval prior to submitting the application.

The narrative must clearly describe the circumstances under which the applicant is requesting funding.

Examples of the documentation may include:

- Copies of the most recent laboratory test results showing that the PFAS compounds in the source water exceed the final MCLs for PFOA, PFOS, PFHxS, PFNA, GenX HI for a mixture of GenX, PFBS, PFNA and PFHxS, or 10 ppt for any other unregulated PFAS compound. The lab must use a validated drinking water method, such as EPA Method 533 or 537.1, or a validated non-potable water method, such as Method 8327 or 1633.
- Documentation/or model that proves that the current treatment is not adequate to achieve compliance with the MCLs in the near future.

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## 2.3 Category 3 – System Management

### 2.3.1 Line Item 3.A – Capital Planning Activities

An applicant may qualify for points under only one of the following line items 3.A.1 or 3.A.2.

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### 2.3.2 Line Item 3.A.1 – Asset Management Plan

To earn points under this line item, the Applicant must have an Implemented Asset Management Plan (AMP) as of the date of the application that addresses each of the four key areas described below. The AMP must be for the same utility type as the project (i.e., a wastewater project will not score points for an AMP that only covers drinking water assets and vice versa.)

#### Points Available

- Wastewater – Not applicable
- Drinking Water – 10 points
- DWSRF and CWSRF-EC-S Funds – 10 points

This guidance is intended only for the purpose of determining if the applicant qualifies for points under Line Item 3.A.1 of the PRS score sheet. This guidance is not intended to be an exhaustive resource for the development of asset management plans, and there are many aspects of asset management that may tie into a system owner's plan that are not evaluated for the purpose of determining qualification for points. There are no requirements that the asset management plan be managed electronically.

**Important to Remember**

- If the project does not qualify for 3.A.1., it will be automatically considered for 3.A.2 points, provided all required Capital Improvement Plan (CIP) documentation is included.
- A copy of the AMP is not a substitute for the narrative, and no points will be awarded if a complete narrative is not included.

**Required Documentation**

To receive points under this line item, the application must include a narrative that clearly explains how the AMP addresses each of the four key areas described in this guidance. The narrative must include a specific section that addresses each of the following four key areas that comprise the Applicant's AMP.

**Each of these areas MUST be addressed in the narrative.** They are as follows:

1. Inventory of assets including maps;
2. Assessment of the condition of the infrastructure in the inventory;
3. A capital improvement plan (CIP) with projected cost estimates; and
4. An operation and maintenance plan to ensure proper management of the asset

It is not necessary to provide maps with the narrative, but the Applicant's AMP must include mapping as described below.

**1. Inventory of Assets.** The inventory **must include all** assets owned by the Applicant for the applicable utility (water or wastewater), not just the assets involved in the proposed project.

- Waterlines, valves, hydrants and tanks: map with age, type, and size of pipe materials; age and size of valves, hydrants and tanks; the narrative to support Line Item 3.A.1 must describe the general age of the pipe segments and valves.
- Gravity Sewers and Force mains: map with age, type, and size of pipe materials; age, size and materials of manholes; the narrative to support Line Item 3.A.1 must describe the general age of the pipe segments and manholes.
- Pump Stations: map and narrative with age, number and capacity of pumps, power reliability, and telemetry
- Water or Wastewater Treatment Plants: process schematic, age, number, and capacity of each major treatment unit. Units that were built as part of a larger treatment process at the same time and that are in the same general condition may be grouped together.
- Other Assets (e.g., reclaimed water distribution Systems): provide information as outlined above.

**2. Condition Assessment.** Each asset item included in the Inventory of Assets must be assigned a condition. The assessment of the condition of the infrastructure may be based on:

- Operator knowledge,
- Formal evaluations (e.g., sanitary sewer evaluation study),
- Broad assumptions based on age and type of facilities (e.g., 40-year-old concrete pipe can be assumed to be in poor condition), and
- Condition of other similar facilities in the system where formal evaluations have been conducted.

**Important to Remember**

It is expected that the project for which funding is being sought will address infrastructure in the “poor” category. If it does not, provide a discussion and justification of why this project is proposed for funding when other infrastructure is in greater need of improvement (e.g., other high priority projects are being implemented with local funds).

The assessment scale (e.g., excellent – poor condition) is at the discretion of the Applicant. The narrative must describe the assessment scale and include a list of categories and a clear explanation of how each category is assigned (e.g., “Poor” rated sewer lines are those with offset joints, significant corrosion, cracks, experience surcharging, etc.)

**3. Capital Improvement Plan with Projected Cost Estimates.** Provide all documentation as required for Line Item 3.A.2 to demonstrate that the Asset Management Plan includes a CIP.

**Important to Know**

In order to qualify for the points, the project proposed for funding must be included in the CIP.

Review of a CIP for the purposes of awarding points for funding priorities in no way absolves the system owner of responsibility for regulatory noncompliance.

**4. Operation and Maintenance Plan.** The operation and maintenance (O&M) plan should be based on manufacturers’ recommendations and/or typical industry best management practices. The narrative to support Line Item 3.A.1 must describe the Applicant’s O&M plan.

**Important to Know**

- Implementation of an AMP means that the Applicant has taken specific actions to put into practice the elements that comprise the Plan and can demonstrate the application of each activity and its outcome.
- The application must include a narrative describing the AMP even if the same application previously received points for an AMP.
- The AMP must include all water or wastewater infrastructure assets owned by the Applicant, not just the assets involved in the proposed project.
- For a System Merger project receiving point under Line Item 2.F., the receiving system must have the qualifying AMP to earn points.

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### 2.3.3 Line Item 3.A.2 - Capital Improvement Plan

An application may earn points if the Applicant has a CIP adopted by the Applicant within two years of the application date, spanning at least ten years from the date of adoption, including cost estimates for projects scheduled in the first five years, and with the project proposed for funding included in the CIP. Provide the page number(s) in the application file where the CIP documentation is located.

#### Points Available

- Wastewater – Not applicable
- Drinking Water – Not applicable
- DWSRF-EC-S Funds – 2 points

#### Required Documentation

The narrative must include the following:

- A resolution or board meeting minutes which clearly shows a motion to approve and adopt the CIP within two years of the application date.
  - A certified true and correct copy of draft meeting minutes is acceptable for meetings held within 45 days of the application deadline;
  - A certification or statement that a CIP was adopted is not sufficient documentation;
  - If a CIP has been amended, the resolution or meeting minutes provided must show that the entire CIP, as revised, has been adopted.
- A statement of the years covered by the CIP, which must extend at least ten years from the most recent adoption date;
- A description sufficient to show that the project described in the CIP is unambiguously the same project seeking funding (for emerging contaminant studies, points may be earned if the narrative explains how the proposed study will support a specific construction project that is included in the CIP;
- A printout of the CIP priority matrix with a reasonable forecast of anticipated projects for the applicable utility (water or wastewater) meeting the following requirements:
  - The project must be highlighted on the priority matrix;
  - The CIP must cover 10 years from the most recent adoption date;
  - For the first five years the priority matrix must list projects and their costs by year;
  - After Year 5 (minimum of Years 6 – 10), the priority matrix must list projects and their estimated costs but does not need to specify the year or priority of those projects.
- If the proposed project has moved significantly from the projected date in the CIP, explain why the project has been moved ahead of the other projects listed in the CIP.

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### 2.3.4 Line Item 3.B – System Operating Ratio

The application earns points if either of the following is true:

- The Applicant's Operating Ratio (OR) is greater than or equal to 1.00, or
- The Applicant's Operating Ratio is less than 1.00 and the unit cost is greater than 2.5% of median household income (MHI).

#### Points Available

- Wastewater – Not applicable
- Drinking Water – Not applicable
- DWSRF-EC-S Funds –5 points

A narrative is not required for this line item to receive points. DWI will calculate the OR based on data provided in the financial information form of the application and will award prioritization points based on that calculation. The Applicant may provide in the narrative a justification on why an alternative calculation or alternative values should be used in the calculation that are more representative of the utility's operations (see Required Documentation below).

#### Required Documentation

Report the components of the Operation Ratio on the *Water & Sewer Financial Information Form*.

- Do not modify the forms.
- Do not report negative numbers for expenses.

Calculate the Operating Ratio using the formula below:

$$\text{Operating Ratio} = \frac{\text{Operating Revenues}}{(\text{Total Expenditures} + \text{Debt Principal} + \text{Interest} + \text{Capital Outlay})}$$

Provide the revenues and expenditures for the water and sewer enterprise fund (separate from other revenues) for the most recent audit year approved by the LGC.

**Alternative Methodology.** To account for unusual circumstances (for example, to account for large variations in capital expenditures or the use of reserve accounts), average the revenues and expenditures over the last five years. The narrative must clearly describe the circumstances that justify the use of this five-year average and why the most current year is not representative of a downward trend in the operating ratios if present.

If separate water and sewer enterprise funds are maintained, the Operating Ratio must be calculated using only the fund applicable to the system type (water or wastewater fund).

Present the calculations in the narrative.

#### **Calculation Notes**

In the narrative and calculation, use the same values entered in the *Water & Sewer Financial Information Form*.

- **Do not** include “Non-operating Revenues” in the numerator.
- Do not include any future revenues.
- Present “Total Expenditures” from the *Water and Sewer Financial Information Form*
- Present “Debt Principal”, “Interest” and “Capital Outlay” from the *Water & Sewer Financial Information Form*; “Capital Outlay” is defined as funded from the enterprise fund.

Report the Operating Ratio to two decimal points. An operating ratio of 0.99 does not qualify for points.

**Operating Ratios ≥ 1.00.** If the Applicant’s Operating Ratio is equal to or greater than 1.00, the application earns points.

**Operating Ratio < 1.0 and Combined Monthly Bill / MHI > 2.5 percent.** If the operating ratio is less than 1.0 and the combined water and sewer rate as a percent of MHI is greater than 2.5 percent, the application earns points. The narrative must present both the OR as calculated above and the combined monthly water and sewer bill as a percent of MHI as calculated below:

***Combined Water and Sewer Rate as % MHI***

$$= 100 \times \left( \frac{\text{Current Combined Residential Water and Sewer Bill for 5,000 } \frac{\text{gal}}{\text{month}}}{\left( \frac{\text{MHI}}{12} \right)} \right)$$

#### **Calculation Notes**

In the narrative and calculation, use the same values entered in the DWI application for System Parameters (Section 2).

- Applicants that provide both water and wastewater utility services must use both rates in calculating OR.
- **Include the official rate sheets for both water and sewer service. Otherwise the ratio is calculated based on the one included official rate sheet.**
- Using the lowest residential rate available (typically, the “inside rate”) calculate the residential monthly utility bill for 5,000 gallons for water and sewer service. Include the monthly fixed, minimum or base charge. Show all calculations.
- Report the results as “Monthly Utility Bill for 5,000 Gallons” on the Division application for System Parameters (Section 2).
- Obtain the current statistics for MHI to be used in this calculation from the DWI website <https://deg.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources>
- For systems without adopted rates, enter "0" (zero).
- If calculations are missing, incomplete or inconsistent, or if the official rate sheet is missing, the application earns no points for this line item.

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## 2.4 Category 4 – Affordability

Category 4 provides points related to affordability. Additionally, the affordability criteria are required to determine grant eligibility and, if eligible, the percentage of grant/loan/principal forgiveness mix.

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### 2.4.1 Line Item 4.A – Residential Connections

An Applicant may qualify for **only one** of the following sub-categories (Line Items 4.A.1-4.A.3) based on the number of residential connections that you reported on the DWI Application.

- Line Item 4.A.1 – Less than 10,000 residential connections (2 Point); OR
- Line Item 4.A.2 – Less than 5,000 residential connections (4 Points); OR
- Line Item 4.A.3 – Less than 1,000 residential connections (8 Points).

#### **Points Available**

- Wastewater – Not applicable
- Drinking Water – Not applicable
- BIL EC Funds – 2-8 points

#### **Important to Remember**

For wastewater applications, count only sewer connections. For drinking water applications, count only drinking water connections.

To determine residential connections, list on the DWI Application the number of residential connections *in the system's entire service area*.

Some systems serve additional customers yet record flow through a bulk connection. If this is the case, then all residential connections served by the bulk connection must be considered. Please see the supplemental guidance available at <https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources>. Use these residential connections in Line Item 4.A of the Priority Rating System for water and wastewater projects.

For projects seeking funding through a construction program *other than the CDBG-I program*, if the entire service area has greater than 20,000 residential connections, then the system is only eligible for a 100 percent loan.

#### **Example for Line Item 4.A**

The Bixby-Hadley Water and Sewer Authority serves two towns, the Town of Bixby and the Town of Hadley. Bixby has 12,500 residential connections in their sewer system while the Town of Hadley has 8,000 residential connections. They wish to complete a collection system rehabilitation and replacement project. Due to the number of residential connections within the service area of the Bixby-Hadley Water and Sewer Authority (20,500), they are eligible for a 100% loan. (If ARPA funds are available, they would be eligible for grant funding).

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## 2.4.2 Line Item 4.B – Current Monthly Utility Bill at 5,000 Gallons

An Applicant may qualify for **only one** of the following sub-categories (Line Items 4.B.1-4.B.4) based on the current monthly combined water and sewer utility rate at 5,000 gallons as shown on the rate sheet submitted with the application.

### Points Available

- Wastewater – Not applicable
- Drinking Water – Not applicable
- DWSRF-EC-S Funds – 4-10 points

- Line Item 4.B.1 – Greater than 50<sup>th</sup> Percentile (\$89) (4 Points) **OR**
- Line Item 4.B.2 – Greater than 70<sup>th</sup> Percentile (\$107)- (6 Points) **OR**
- Line Item 4.B.3 – Greater than 85<sup>th</sup> Percentile (\$126) (8 Points) **OR**
- Line Item 4.B.4 – Greater than 95<sup>th</sup> Percentile (\$145) (10 Points).

Use the lowest in-town rate. Provide rate sheets and show all calculations.

- If you are a single-utility water provider, estimate the combined utility bill by dividing the water rate for 5,000 gallons by 0.4.
- If you are a single-utility sewer provider, estimate the combined utility bill by dividing the sewer rate for 5,000 gallons by 0.6.

### Required Documentation

To document this line item, provide the following:

- A copy of the most recent official water and sewer rate sheets in effect at the time of the application as part of the supporting documentation in Section 4 of the priority points narrative.
  - An “after-the-fact” application that earns priority under Line Items 1.A and 2.F can use the official rate sheet for the consolidated system that was in effect on the date of consolidation.
- A clear calculation or description of how the bill for monthly use of 5,000 gallons is calculated.

### Important to Remember

In the narrative and calculation, use the same values entered in the Division application for System Parameters (Section 2).

- **Include the official rate sheet.**
- Using the lowest residential rate available (typically, the “inside rate”) calculate the residential monthly utility bill for 5,000 gallons for water and sewer service. Show all calculations.
- Report the results as “Monthly Rate for 5,000 Gallons” on the Division application for System Parameters (Section 2).
- $\frac{DW \text{ Single Provider Rate per } 5000 \text{ gallons}}{0.4} = \text{Combined Utility Rate for Affordability Calculator}$
- $\frac{WW \text{ Single Provider Rate per } 5000 \text{ gallons}}{0.6} = \text{Combined Utility Rate for Affordability Calculator}$

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### 2.4.3 Line Item 4.C – Local Government Unit Indicators

An Applicant may qualify for **only one** of the following sub-categories (Line Items 4.C.1-4.C.4) based on the local government unit (LGU) economic indicators reported on the DWI Application:

- Line Item 4.C.1 – 3 out of 5 LGU indicators worse than state benchmark (3 points) **OR**
- Line Item 4.C.2 – 4 out of 5 LGU indicators worse than state benchmark (5 points) **OR**
- Line Item 4.C.3 – 5 out of 5 LGU indicators worse than state benchmark (7 points) **OR**
- Line Item 4.C.4 – Project benefits disadvantaged areas (5 points).

These indicators show whether or not an Applicant is faring better or worse in terms of these indicators than the state benchmark. The indicators that the Division utilizes for this determination are as follows:

- Percent population change
- Poverty rate<sup>1</sup>
- Median household income
- Unemployment
- Property valuation per capita

To assist in determining whether LGU economic indicators are better or worse than the state benchmarks, DWI has developed a table that is available on the [Division application webpage](#). This table is available for use in completing the information for affordability criteria. These tables must be used in completing information for population change, poverty rate, median household income, and unemployment.

Additionally, this information may also be found in the Affordability Calculator that is available on the Division’s website at <https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources#additional-resources>.

List each LGU indicator in Section 2 on the Application for Funding.

Some situations may occur in which alternate data may be utilized. These are listed below.

#### Percent Population Change

<sup>1</sup> Applicable to Line Item 4.E of the CDBG-I scoresheet.

#### Points Available

- Wastewater – Not applicable
- Drinking Water – Not applicable
- BIL EC Funds – 4-10 points

#### Important to Remember

Applicants will not be awarded both LGU indicator and disadvantaged area sub-categories. If an application is eligible for both 4.C.1-4.C.3. and 4.C.4, the highest scoring line item will be awarded.

#### Important to Remember

For municipalities that cross multiple counties, use the average of the unemployment rates. The Affordability calculator does this for you.

1. The Division has historically used population data from American Community Survey (ACS) and allowed Applicants to provide data from the North Carolina Office of State Budget (OSMB) as an alternative. Beginning with the Fall 2025 application round, the Division has updated the table for LGU indicators and the Affordability Calculator to include population data from both ACS and OSBM. The applicant should review the numbers provided from each data source and select the data set that is most advantageous for them. Supporting documentation is not required to use the OSBM data.
2. Some cases may exist where a resident institution such as a prison, juvenile hall, or nursing home facility may open and impact the population during the five-year period under consideration for percent population change. If such a situation exists in an LGU, then the institutional population may be deducted from the most recent population before the calculation for percent change in population is made. Provide supporting documentation that shows the facility name, the number of the institutionalized population, and the year the facility opened.

**Important to Remember** The Affordability Calculator includes both ACS and OSBM data. Choose the data set that is most advantageous when submitting the application.

**Example for Line Item 4.C (Population Change)**

In 2020, the Town of Klondike opened a juvenile detention facility that houses 400 residents. According to the ACS data, the Town in 2017 had a population of 16,500 residents and now in 2021 had a population of 17,400 residents, resulting in a percent population change of 5.45% change in population, which would put them at better than the state benchmark. However, removing the resident population of the detention center resulted in a population change of 500 people (3.03%), which put them at worse than the state benchmark. To receive credit, the Town included supporting documentation that showed the number juvenile residents when the facility opened and the fact that the facility opened in 2020.

**Property Valuation per Capita**

In many cases, utilize the total taxable property value reported in the most current audit for the LGU. Use the total taxable property value and divide it by the population of the LGU found on the Division's data sheets referenced above to calculate property valuation per capita.

If the service area is outside of a municipality, then three options exist.

1. The county property valuation per capita figure may be used.
2. If the service area is in a defined area such as a Census Data Place (CDP), then the Applicant may utilize tax maps to determine the total taxable property value within the defined area. That result would then be divided by the population in the CDP. As supporting documentation, provide a map that shows the boundaries of the CDP and service area. Additionally, provide a copy of the spreadsheet used to calculate the CDP's total taxable property value and property valuation per capita. This may be supplied either in hard copy or on CD.

**Important to Remember**

If the Applicant does not have an audit that is current and on file with the LGC, then the Applicant does not get credit for the property valuation per capita indicator. In its analysis, DWI staff will count that particular parameter as better than the state benchmark.

- For a service area such as a subdivision that is not in a defined CDP, the Applicant may utilize tax maps to determine the total taxable property value of the area. Estimate the population of the area by determining the total number of houses and using the persons per household figure for the county. This information may be found in the [ACS data available online](#). Look at the table under the topic of Family and Living Arrangements. Persons per Household is listed on the second row under that topic.
- Supply as part of the Section 4 documentation a map showing the total number of houses in the service area, a spreadsheet of the total taxable property value calculation, the persons per household for the county from the ACS, and the calculation of the service area population as well as property valuation per capita.

#### **Example for Line Item 4.C (Property Valuation per Capita)**

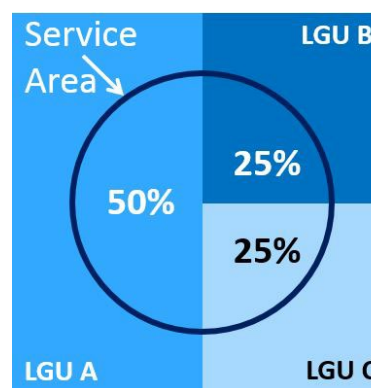
Landry County has a wastewater project that will run sewer to the Newcomb subdivision, a large subdivision of 500 homes that has been on failing septic systems. The property valuation per capita of Landry County is \$105,000, which is over the state benchmark. Based on local knowledge, county staff know that the subdivision is more impoverished than the rest of the county. Using a GIS, they determined the total taxable property within the subdivision to be \$114,475,000. To estimate the population within the subdivision, they utilized the ACS persons per household estimate for the county (2.41 persons per household) and derived an estimated population of 1,205 people. Dividing a total taxable property value by the estimated population yields a property valuation per capita of \$95,000. This is worse than the state benchmark. The county submitted supporting documentation for the calculation and received credit for the LGU economic indicator.

#### **Weighted Averaging**

There may be situations that arise where a system such as a water and sewer authority or a water system covers multiple LGUs. Figure 4 shows a graphical example of a system's service area that crosses multiple jurisdictions. If this occurs, then use a weighted average based on the percentage of users to determine each of the economic indicators.

The Affordability Calculator contains four columns that can be used to calculate using weighted averages. If more than four columns are needed, please complete the calculations by hand and show your work.

If calculating economic parameters across multiple jurisdictions, for each indicator, show the calculations that led to the data entered into the affordability portion of the application. Note that the calculator allows up to four different areas to be entered and will calculate the LGU parameters.



**Figure 4. Graphical Example of Multiple Service Areas**

#### **Important to Remember**

Outside-rate customers are not to be considered when conducting weighted averaging.

#### **Example for Line Item 4.C (Weighted Averaging)**

The Town of Central is a regionalized system that serves the entire town (60 percent of the service area) as well as the Town of Bixby (30 percent of the service area) and part of the county (10 percent of the service area). The Town determined population changes for each of the areas as follows:

- Central: 5.5 percent
- Bixby: 5.0 percent
- County: 8.5 percent

Using the following calculation, they determined the percent population growth for their service area to be 5.65 percent by using the following equation:

$$\text{PopGrowth}_{\text{Total}} = (0.6 * 5.5\%) + (0.3 * 5.0\%) + (0.1 * 8.5\%) = 5.65\%$$

That would place the Town at better than the state benchmark.

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#### **2.4.4 Line Item 4.C.4. Benefit to Disadvantaged Areas**

These priority points are intended to provide additional priority to projects providing direct benefits to residences in disadvantage areas. Disadvantaged areas may be subsections or pockets of a service area, not the entire local government unit area or entire utility service area. For instance, disadvantaged areas may be Census Block Groups that meet qualifying characteristics. Disadvantaged areas are limited to less than half the number of total connections served by the applicant at the time of application.

##### **Points Available**

- Wastewater – Not applicable
- Drinking Water – Not applicable
- EC-S Funds – 5 points

Projects for which at least 50 percent of the construction costs are to provide direct benefits to disadvantaged areas are eligible to receive these points. Project must provide a direct benefit to residences and properties identified in disadvantaged areas.

The targeted project area will be determined a “disadvantaged area” based on factors that shall include:

- Affordability of water and sewer service rates relative to the income levels of residents in the targeted project area, median household income, poverty rates, per capita appraised values of property, and/or unemployment rates of the targeted project area,
- ⊖ Additional factors such as but not limited to demographic, historical, cultural, linguistic, socio-economic stressors, cost-of-living stressors, or existing contamination.

##### **Important to Remember**

Projects requesting priority points for Line Item 1.E. will automatically be considered for this item. Projects receiving priority points for Line Item 1.E. will receive these points without any additional documentation.

#### **Required Documentation**

The documentation to receive these priority points must include:

- A project map clearly identifying disadvantaged areas and properties within the project area.
- A narrative in the application to justify the targeted project area as disadvantaged using the factors above. When available, targeted project area data (e.g. median household income in the

targeted project area's census block group) should be compared to state benchmark values established in Category 4 - Affordability. Supporting documentation may include maps or other existing sources.

Use of NC DEQ's Community Mapping System and other similar federal or state-generated maps is encouraged. For example:

- Documentation can include screenshots/printouts of NC DEQ's Community Mapping System (<https://deq.nc.gov/outreach-education/environmental-justice/deq-north-carolina-community-mapping-system>). Identify on the map the targeted project area overlapping "Potentially Underserved Block Groups 2019" and/or "Tribal Boundaries" that appear on the online map as shaded areas (these are considered disadvantaged, underserved areas).
- Justice 40 Climate and Economic Justice Screening Tool: [Justice40 Initiative - Environmental Justice - The White House](#) evaluates burden threshold **and** the associated socioeconomic thresholds. Data provided in the tool, may provide additional factors to support a project area is disadvantaged.
- Provide a narrative explaining the direct benefit to the customers in the disadvantaged areas. Project benefits are not limited to priority point line items listed in Category 2, however a project receiving Category 2 project benefit points may be eligible for this item if a direct benefit to the disadvantaged area can be described. Direct benefits must be related to improved service, public health, or environmental safety of the residents where there is an existing deficiency. Benefits include but are not limited to providing safe and reliable drinking or wastewater services, and reduced exposure to documented sanitary sewer overflows or bypasses.
- A project budget form that includes the following:
  - Specify the line items (or the portions of the line items) that are necessary to provide benefit to existing residences in disadvantaged, underserved areas.
  - Demonstration that at least 50 percent of the total construction cost in the Division Funding Requested column in Section 8 is necessary to provide a benefit to residences in disadvantaged, underserved areas. Where projects provide benefits to areas that are not disadvantaged, the project costs necessary to provide a benefit to disadvantaged areas must be reduced from the total construction cost based on percent of population or number of connections that are disadvantaged compared to the total population benefiting from the project. (e.g. For a new service line to connect 50 residence, of which 60 percent are in a disadvantaged area, 60 percent of the cost of the water main can be counted towards this calculation, or for a treatment plant projects where 55 percent of the service area is disadvantaged, 55 percent of the treatment plant upgrades or rehab can be counted towards the calculation). Other proposed methods must be clearly supported in the narrative to be considered. **Attach your calculations as necessary.**

**Important to Remember**

Financial benefits from receiving grants or principal forgiveness funding are not considered a direct benefit to customers for these points.

Examples of potential eligible and ineligible projects are listed below:

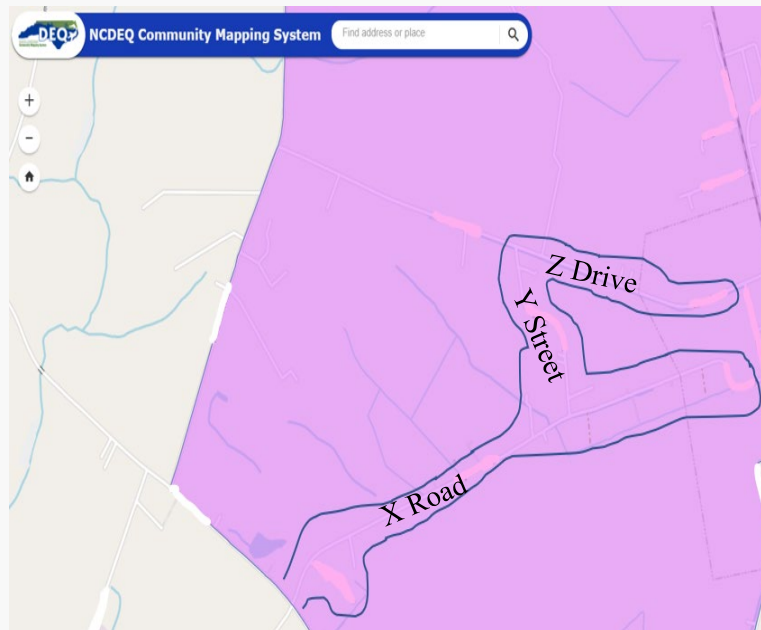
Potentially Eligible Project Types
Collection and distribution systems projects within a disadvantaged area, and direct benefit is documented in the narrative related to public health and safety of the residents.

Sewer rehabilitation projects which serve a disadvantaged area and the project receives 2.C. priority points for SSOs, the project documents self-reported SSOs caused a public health risk to the disadvantaged area, or the project received age points in items 1.C.1 or 1.D.1.

Water distribution system projects which serve a disadvantage area, and the project improves system reliability and improved public health (resolve low pressure issues, documented pipe breaks, or reduce water age to help with DBP exceedances)

**Example Narrative for Line Item 4.C.4 (Benefit to Disadvantaged Areas)**

The Town of Servicia water system will extend its distribution system and connect residences along X Road, Y Street, and Z Drive to provide reliable drinking water. The project area is disadvantaged and underserved, located within a Potentially Underserved Block Group as shown on the NC DEQ Community Mapping System (see map screenshot in Appendix L). Groundwater wells providing drinking water to this area are contaminated with Arsenic.



**Example Narrative for Line Item 4.C.4 (Benefit to Disadvantaged Areas) Continued..**

1. Number of connections in the purple shaded disadvantaged area are approximately 90 and this is less than ½ of Total residential connections of Town of Servicia, which is 500.
2. Town of Servicia has only 2 LGU indicators worse than state Benchmarks.
3. Existing drinking water wells serving the Disadvantaged area are contaminated with Arsenic. Random sampling was performed during 2021 and 2022 and lab results attached. Arsenic levels at these private wells exceeds the MCL of 0.01 mg/L.
4. Project Budget attached shows more than 50% of the Division requested funding is to connect homes in the disadvantaged area.
5. Extending Town's water lines to this area will provide the reliable arsenic free drinking water to disadvantaged/underserved population, there by reducing all health risks associated with higher levels of arsenic.
6. Project map clearly identifying the disadvantaged area and the water lines to be extended, is attached.

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## 2025 PRIORITY RATING SYSTEM for DWSRF-EC Projects

**Instructions:** 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.

Line Item #	EC Line Item <sup>†</sup>	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.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 <b>OR</b>		12
1.J.2	EC	At least 75% of the project costs are to address Emerging Contaminants (construction projects) <b>OR</b>		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
<b>Maximum points for Category 1 – Project Purpose</b>				12
<b>Subtotal claimed for Category 1 – Project Purpose</b>				
Line Item #	EC Line Item <sup>†</sup>	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		
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 <b>OR</b>		2



2025 PRIORITY RATING SYSTEM for DWSRF-EC Projects				
2.H.4	EC	Project addresses PFAS exceeding proposed or promulgated MCL or Hazard Index		5
2.I – 2.S		Reserved for other programs		
Maximum points for Category 2 – Project Benefits				10
Subtotal claimed for Category 2 – Project Benefits				
Line Item #	EC Line Item <sup>†</sup>	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 <b>OR</b>		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.E		Reserved for other programs		
Maximum points for Category 3 – System Management				15
Subtotal claimed for Category 3 – System Management				
Line Item #	EC Line Item <sup>†</sup>	Category 4 – Affordability	Claimed Yes/No	Points
4.A		Residential Connections		
4.A.1	EC	Less than 10,000 residential connections <b>OR</b>		2
4.A.2	EC	Less than 5,000 residential connections <b>OR</b>		4
4.A.3	EC	Less than 1,000 residential connections		8
4.B		Current Monthly Combined Utility Rates at 5,000 Usage		
4.B.1	EC	Greater than the 50 <sup>th</sup> percentile <b>OR</b>		4
4.B.2	EC	Greater than the 70 <sup>th</sup> percentile <b>OR</b>		6
4.B.3	EC	Greater than the 85 <sup>th</sup> percentile <b>OR</b>		8
4.B.4	EC	Greater than the 95 <sup>th</sup> percentile		10
4.C		Local Government Unit (LGU) Indicators		
4.C.1	EC	3 out of 5 LGU indicators worse than state benchmark <b>OR</b>		3

<b>2025 PRIORITY RATING SYSTEM for DWSRF-EC Projects</b>				
4.C.2	EC	4 out of 5 LGU indicators worse than state benchmark <b>OR</b>		5
4.C.3	EC	5 out of 5 LGU indicators worse than state benchmark <b>OR</b>		7
4.C.4	EC	Project benefits disadvantaged areas		5
<b>4.D – 4.G</b>		Reserved for other programs		
<b>Maximum points for Category 4 – Affordability</b>				25
<b>Subtotal claimed for Category 4 – Affordability<sup>‡</sup></b>				
<b>Total of Points for All Categories</b>				

## 2025 PRIORITY RATING SYSTEM for CWSRF-EC Projects

**Instructions:** 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.

Line Item #	EC Line Item <sup>†</sup>	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.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 <b>OR</b>		12
1.J.2	EC	At least 75% of the project costs are to address Emerging Contaminants (construction projects) <b>OR</b>		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
<b>Maximum points for Category 1 – Project Purpose</b>				12
<b>Subtotal claimed for Category 1 – Project Purpose</b>				
Line Item #	EC Line Item <sup>†</sup>	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		
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 <b>OR</b>		2
2.H.4	EC	Project addresses PFAS exceeding proposed or promulgated MCL or Hazard Index		5

2025 PRIORITY RATING SYSTEM for CWSRF-EC Projects				
2.I – 2.S		Reserved for other programs		
Maximum points for Category 2 – Project Benefits				10
Subtotal claimed for Category 2 – Project Benefits				
Line Item #	EC Line Item <sup>†</sup>	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 <b>OR</b>		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.E		Reserved for other programs		
Maximum points for Category 3 – System Management				15
Subtotal claimed for Category 3 – System Management				
Line Item #	EC Line Item <sup>†</sup>	Category 4 – Affordability	Claimed Yes/No	Points
4.A		Residential Connections		
4.A.1	EC	Less than 10,000 residential connections <b>OR</b>		2
4.A.2	EC	Less than 5,000 residential connections <b>OR</b>		4
4.A.3	EC	Less than 1,000 residential connections		8
4.B		Current Monthly Combined Utility Rates at 5,000 Usage		
4.B.1	EC	Greater than the 50 <sup>th</sup> percentile <b>OR</b>		4
4.B.2	EC	Greater than the 70 <sup>th</sup> percentile <b>OR</b>		6
4.B.3	EC	Greater than the 85 <sup>th</sup> percentile <b>OR</b>		8
4.B.4	EC	Greater than the 95 <sup>th</sup> percentile		10
4.C		Local Government Unit (LGU) Indicators		
4.C.1	EC	3 out of 5 LGU indicators worse than state benchmark <b>OR</b>		3
4.C.2	EC	4 out of 5 LGU indicators worse than state benchmark <b>OR</b>		5

2025 PRIORITY RATING SYSTEM for CWSRF-EC Projects				
4.C.3	EC	5 out of 5 LGU indicators worse than state benchmark <b>OR</b>		7
4.C.4	EC	Project benefits disadvantaged areas		5
<b>4.D – 4.G</b>		Reserved for other programs		
Maximum points for Category 4 – Affordability				25
Subtotal claimed for Category 4 – Affordability <sup>‡</sup>				
Total of Points for All Categories				