

**Fact sheet**

**Engineering Report/Environment Information Document (EID)**

**for Wastewater or Stormwater Infrastructure Projects**

**March 2023**

Instructions on preparing the ER/EID are located on the Division’s ER/EID webpage. The link to the website is [Engineering Report/Environmental Information Document | NC DEQ](https://deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/engineering-reportenvironmental-information-document). Here you can access all the forms, spreadsheets, and checklists needed for a complete ER/EID submittal.

1. **Preparing the Engineering Report/Environmental Information Document.** The Engineering Report/Environmental Information Document (ER/EID) is a planning document that should identify project needs, evaluate alternatives for addressing those needs, and assess environmental impacts.   After receiving a Letter of Intent to Fund (LOIF) for your project, begin preparing the ER/EID using the guidance, forms, spreadsheets, and checklists located on the Division’s ER/EID webpage. Submit the ER/EID to the Division by the deadline that is shown on your LOIF. The division will review the ER/EID and provide comments and/or requests for additional information. After the review is complete, the Division will issue an ER/EID approval letter.
* Please fill out the ER/EID checklist which includes:
	+ The engineer’s contact information, including name, phone number and mailing address.
	+ The applicant’s contact information, including name, phone number, and mailing address.
1. **Preparing the ER/EID Report:**

The Division has updated its engineering report submittal guidance. The following provides guidance for preparing the ER/EID eight (8) sections:

Note:

1. ER/EID Project Cover Page must provide the project name, funding type, funding number/s, date, and report preparer information.

2. Tables that are included in the ER/EID guidance can be used if applicable. The preparer can substitute the guidance tables with their own tables if the information required is included.

* 1. **Section 1: Executive Summary**: The Executive summary gives readers an overview of the entire document.
	2. **Sections 2 & 4:** **Current Situation and Need for Project**: This section provides information about the current situation (describes existing challenges) and describes in detail the need for and purpose of the project.
	3. **Section 3:** **Design Basis/Future Situation**: This section includes design aspects for the project type that need to be considered for the project. For systems that are considered expansions, use projected flow (20 years) for design basis.
	4. **Section 5:** **Alternatives Analysis and Project Cost**: All project alternatives will be described in this section.  The preferred Alternative and all feasible alternatives should have a detailed project description and cost estimate. For many rehabilitation projects that are replacing “like-for-like”, a no-action analysis is required and a minimum of one (1) preferred alternative (additional alternatives may be added if other methods of rehabilitation are being considered) that describes the rehabilitation.

Include present worth analysis if there are two (2) or more feasible alternatives that are being considered to aid in the decision of selecting the preferred alternative. The Division may require additional information depending on project scope.

* 1. **Section 6: Proposed Project Description**: The proposed project description must include all project scope work along with a list of all work to be done.
	2. **Section 7:** **Environmental Information Document (EID)**:

Per the State Environmental Policy Act, projects funded by the State Reserve (SRP) do not automatically trigger an environmental review. [NCGS 113A-12(2)h].

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| **State law does not require an environmental review for projects funded solely by the State Project Reserve, including that funded by American Recovery Plan Act of 2021.** Environmental review may still be required if that is necessary to obtain a permit. |

For a project receiving funding from CWSRF see the Factsheet for Categorical Exclusion at

<https://deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/engineering-reportenvironmental-information>

* 1. **Section 8:** **Financials**: The financial analysis portion of the ER/EID describes how the project will be funded. Moreover, if the applicant is seeking a loan for the project, it provides ways to calculate how the loan may be repaid.
		+ 1. Rate Impact of the Project (Loan only, Not Required for 100% grant funded projects): Calculate the rate impact of the project as follows:
1. Calculate the system’s annual repayment based on the loan terms in the Letter of Intent to Fund. Amortize the cost of the project over twenty years or the expected useful life of the project, whichever is shorter.
2. Calculate the rate impact of the amortized payments:
	* 1. By default, assume the full cost of repaying the loan is equally shared by each residential customer. The rate impact is the system’s annual repayment divided by the number of residential customers and divided by 12 months in a year:
		2. As an alternative, you can document your assumption of the share of the loan repayment borne by residential customers.

|  |  |
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| Current residential rate for average consumption (gallons) | \_\_\_\_ $/month |
| + rate impact of the project | \_\_\_\_ $/month |
|  = Projected Rate | \_\_\_\_ $/month |

* + 1. Report the following:
			1. Financial Analysis for Distressed systems only: If the recipient of grant or loan funding from the Division of Water Infrastructure is designated as distressed, include the following:
1. List all ongoing projects with dollar amount, sources of funding, type (grant or loan) of funding and anticipated project completion dates.
2. Describe how the proposed project will move the system towards financial, technical, and operational viability.
3. Provide short-term and long-term operational and maintenance (O&M) cost of the system and describe how the proposed project will affect the overall financial and operational burden of the system.
	1. **Section 9:** **Public Participation**: The Division requires differing levels of public involvement that depends upon the type of environmental document your project will need as well as the type of project. Reference guidance document about public participation.
4. **When is an ER/EID amendment needed?**

If you have a substantial change to your project scope after approval of the ER/EID, an amendment to the ER/EID may be required. Please contact Divisions project manager for guidance.