

Connecticut Department of Public Health - Drinking Water Section
Drinking Water State Revolving Fund
Priority Ranking System
(Revision 5/7/2024)

A. Introduction:

Connecticut General Statute (CGS) Section 22a-478(h) requires the Commissioner of the Department of Public Health (DPH) to establish and maintain a priority list of eligible drinking water projects and to establish a system setting the priority for making loans to eligible public water systems (PWS) under the Drinking Water State Revolving Fund (DWSRF). In establishing such priority list and ranking system the Commissioner shall consider all factors that are deemed relevant including, but not limited to, the following:

1. Public Health and Safety
2. Protection of environmental resources
3. Population affected
4. Risk to human health
5. PWSs most in need on a per household basis according to the applicable state affordability criteria
6. Compliance with the applicable requirements of the federal Safe Drinking Water Act (SDWA)
7. Applicable state and federal regulations
8. Consistency with the plan of conservation and development
9. Consistency with the water resources policies delineated in CGS Section 22a-380
10. Consistency with the coordinated water system plan in accordance with subsection (f) of CGS Section 25-33d

The DPH will be receiving additional federal funding from EPA under the DWSRF for Federal Fiscal Years (FFY) 2022 – 2026 as a result of the passage of the Bipartisan Infrastructure Law ([Public Law \(PL\) 117-58](#)) on November 15, 2021. Additionally, over this 5 year period the DPH anticipates receiving the following 3 additional EPA grant awards annually:

1. Supplemental Capitalization Grant
2. Lead Service Line Replacement Capitalization Grant
3. Emerging Contaminant Capitalization Grant

The Priority Ranking System described in this document is used to prepare a Project Priority List (PPL), which is included in the annual Intended Use Plan (IUP) associated with DPH's federal capitalization grant application. For the 5 years of the BIL funding, this annual IUP will also include PPLs associated with the BIL funds. The same annual IUP will also be used for the additional 3 capitalization grant applications for BIL funding. In certain years, loan demand may be higher than the amount of DWSRF or BIL funding that is available. These PPLs identify the projects that are expected to receive the available funding during that year. Projects that are not listed on a PPL remain eligible to receive loans if additional funding becomes available or if a PPL project is by-passed by DPH or withdrawn by the applicant.

B. Eligibility for DWSRF and BIL Loans

The DWSRF, including the BIL funding, provides PWSs with a long-term low-cost financing alternative to improve and maintain their existing drinking water infrastructure. In order to receive a loan, or a subsidized loan, a borrower and their project must both be deemed eligible for the DWSRF.

Eligible DWSRF and BIL borrowers include all community public water systems and non-profit non-community public water systems. In addition, these borrowers:

1. Must have adequate technical, financial, and managerial capacity to ensure compliance with the requirements of the SDWA unless the use of the DWSRF will ensure compliance and the owner(s) and/or operator(s) of the systems agree to undertake feasible and appropriate changes in operations to ensure compliance over the long term; and
2. Must not be in significant non-compliance with any national primary drinking water regulation, state drinking water regulation or variance unless;
 - a. the eligible drinking water project will adequately address long-term compliance, or;
 - b. the purpose of the assistance is unrelated to the cause of the significant noncompliance and the systems are on enforcement schedules (for Maximum Contaminant Level (MCL) and treatment technique violations) or have compliance plans (for monitoring and reporting violations) to return to compliance; and
3. Must not be federally owned

C. Eligible Projects for Funding from the Base DWSRF Program and BIL Supplemental Capitalization Grant

The Base DWSRF Program includes older revolving funds as well as new annual funding from DPH's traditional federal DWSRF Capitalization Grant. All projects that are eligible for traditional DWSRF based program funding are also eligible for funding from the BIL's Supplemental Capitalization Grant. Seven categories of projects are eligible to receive DWSRF assistance from these funding sources. These categories and examples of projects within them are:

1. **Treatment** - projects to install or upgrade facilities to improve drinking water quality to comply with SDWA regulations. This category also includes the treatment of emerging contaminants that EPA has included on any of their historic or current Contaminant Candidate Lists. Also included is treatment for other contaminants of concern which DPH or EPA has determined a health risk exists even though the contaminant does not have an established MCL.
2. **Transmission and distribution** - rehabilitation, replacement, or installation of pipes or pump stations to improve water pressure to safe levels or to prevent contamination caused by leaky or broken pipes. This category also includes the complete replacement of service lines to customers of a PWS including lead service lines. This category also includes the installation of new transmission, distribution and service line piping to existing developed properties served by their own individual groundwater wells that have been adversely impacted by groundwater contamination (natural or manmade) or inadequate quantity of water supply for drinking purposes.
3. **Source** - rehabilitation of groundwater wells or development of new groundwater wells to replace contaminated sources or address deficiencies in source capacity.
4. **Storage** - installation of new or upgrades to existing finished water storage tanks to prevent microbiological contamination from entering the distribution system or address deficiencies in storage capacity
5. **Consolidation** - interconnecting two or more water systems
6. **Creation of new systems** - construct a new system to serve homes with contaminated individual wells (i.e. private wells) or to consolidate two or more existing PWSs into a new regional water system

7. **Certain Dam and/or Reservoir rehabilitation projects** – these dams and reservoirs must be owned by a public water system and their primary purpose must be for drinking water supply. These projects must also qualify for the [Class Exception](#) from 40 CFR 35.3520(e)(1) and (3) issued by EPA on July 14, 2021.

The following projects and costs are **not eligible** for assistance pursuant to the Code of Federal Regulations (CFR) 40 CFR 35.3520:

1. Dams or rehabilitation of dams that do not meet the [Class Exception](#) from 40 CFR 35.3520(e)(1)
2. Water rights, except if the water rights are owned by a system that is being purchased through consolidation as part of a capacity development strategy
3. Reservoirs or rehabilitation of reservoirs that do not meet the [Class Exception](#) from 40 CFR 35.3520(e)(3), except for finished water reservoirs and those reservoirs that are part of the treatment process and are located on the property where the treatment facility is located
4. Projects needed primarily for fire protection
5. Projects needed primarily to serve future growth
6. Projects that have received assistance under the national set-aside for Indian Tribes and Alaska Native Villages pursuant to section 1452(i) of the SDWA
7. Laboratory fees for routine monitoring
8. Operation and maintenance expenses

In addition to these ineligible projects and costs, partial lead service line replacements are also not eligible for assistance (see Sections D and J.8).

The EPA may grant deviations from DWSRF regulations but not from statutory requirements. The CFR authorizes EPA, specifically the Director of the Office of Grants and Debarment, to approve exceptions to EPA program-specific assistance regulations on a class or individual case basis. Items 1-4 in the list above are the only projects for which deviations may be allowed; however, the project must be addressing a public health need along with meeting other criteria as set by EPA. The DPH will consult with EPA, as necessary, to determine if a deviation will be considered for a specific project.

The EPA may choose to issue a class deviation for one or more of these ineligible categories. In these cases, a project must still meet specific criteria and be reviewed by DPH and EPA.

The DWSRF may be used to finance the planning, design, and/or construction phase of an eligible drinking water project.

D. Eligible Projects for Funding from the BIL Lead Service Line Replacement Capitalization Grant

For a project or activity to be eligible for funding under this capitalization grant, it must be otherwise DWSRF eligible (as detailed in Section C.) and be a lead service line replacement (LSLR) project or associated activity directly connected to the identification, planning, design, and replacement of lead service lines. Any project funded under this LSLR Capitalization Grant involving the replacement of a lead service line must replace the entire lead service line, not just a portion, unless a portion has already been replaced or is concurrently being replaced with another funding source.

To define a “lead service line”, EPA uses an amended version of the federal [Lead and Copper Rule Revisions](#) (LCRR) regulatory definition, which is, “...a service line made of lead, which connects the water

main to the building inlet. A lead service line may be owned by the water system, owned by the property owner, or both. For the purposes of this subpart, a galvanized service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material. If the only lead piping serving the home or building is a lead gooseneck, pigtail, or connector, and it is not a galvanized service line that is considered an LSL the service line is not a lead service line.” EPA has expanded the eligible uses beyond the definition above to also include the replacement of lead goosenecks, pigtails, and connectors as eligible expenses, whether standalone or connected to a lead service line.

Corrosion control studies, corrosion control infrastructure, and water meters are not eligible under this LSLR Capitalization Grant, but are eligible under the DWSRF base program and BIL Supplemental Capitalization Grant (see Section C.).

E. Eligibility for Funding from the BIL Emerging Contaminants Capitalization Grant

For a project or activity to be eligible for funding under this Emerging Contaminants Capitalization Grant, it must be otherwise DWSRF eligible (see Section C.) and the primary purpose must be to address emerging contaminants in drinking water. Given the clear Congressional intent that these funds focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances (hereinafter PFAS), PFAS projects will be given higher priority consideration versus other eligible emerging contaminants. States, however, have the flexibility to fund projects for any contaminant in any of EPA’s [Contaminant Candidate Lists](#). For example, EPA also encourages states to consider using these funds to address perchlorate as well as contaminants that have higher levels of occurrence or health concerns.

If EPA has promulgated a [National Primary Drinking Water Regulation](#) (NPDWR) for a contaminant, then a project whose primary purpose is to address that contaminant is not eligible for funding under this Emerging Contaminants Capitalization Grant, with the PFAS exception explained below. For example, a project for which the primary purpose is to address arsenic or nitrate in drinking water is not eligible because arsenic and nitrate are regulated under the NPDWRs. It should be noted that these projects may be eligible for funding under the DWSRF Base or BIL Supplemental Capitalization Grant.

EPA established a NPDWR for six (6) PFAS in April of 2024. Given stated Congressional intent of this Emerging Contaminants Capitalization Grant, PFAS-focused projects will still be eligible for funding under this capitalization grant regardless of the fact that EPA has established a NPDWR. More information on PFAS is located here: <https://www.epa.gov/pfas>.

F. Call for Projects

The Call for Projects is held annually, typically on or around the same time each year. For a project to be considered for funding on the PPL in an annual IUP, an Eligibility Application must be received by the date announced by the DPH. This announcement is issued via e-mail to all PWSs that are eligible to receive DWSRF loans, municipal Chief Elected Officials and local Directors of Health, as well as posted on the DPH Drinking Water Section’s (DWS) website. This announcement will be made approximately 60-90 days prior to the due date.

Outside of this annual Call for Projects, Eligibility Applications are accepted at any time and those received after the announced due date will be reviewed as they are received and the IUP updated as explained further in Section L of this document.

PWSs that desire DWSRF loans must submit a DWSRF Eligibility Application to the DPH in order for that project to be considered for a loan. The DPH reserves the right to issue new solicitations for additional infrastructure projects for DWSRF funding at any time.

G. Small System Reserve

The SDWA requires that, to the extent that there are a sufficient number of eligible project applications, not less than 15% of the available funding shall be dedicated to small systems serving less than or equal to a population of 10,000. The DPH shall use the population it currently has on record at the time a PWS applies for funding to determine if it meets the small system criteria. In cases where an applicant owns more than one community PWS, the applicant's population will be determined based on the population of its largest individually owned community PWS.

H. Justice40 Reserve

Federal Executive Order 14008 Section 223 (January 27, 2021) establishes a goal of directing 40% of the benefits from federal investments to disadvantaged communities. Guidance has not yet been published for the implementation of this directive. Once available, this guidance will be evaluated, and a determination made as to its impact on projects and the ranking criteria.

I. Green Project Reserve (GPR)

Green projects include those that promote green infrastructure and energy or water efficiency, as well as projects that demonstrate new or innovative ways to manage water resources in a sustainable way. To the extent required by Federal law, which may change from year to year, priority may be given to eligible projects where sufficient documentation has demonstrated to the satisfaction of DPH that the project achieves identifiable and substantial benefits that qualify as green project benefits. Specific GPR amounts available each year will be identified in the DPH's IUP.

J. Priority Point Assignment

Connecticut's DWSRF priority ranking system assigns points to each project deemed eligible for funding. In developing the ranking system, the point structure is weighted towards projects that will provide the greatest public health benefits and to PWSs that are most in need of low-cost financing. This approach is consistent with the SDWA requirement for States to prioritize the use of funds for projects that:

1. Addresses the most serious risk to human health
2. Are necessary to ensure compliance with the requirements of the SDWA
3. Assist systems most in need according to state affordability criteria

The 10 major point categories are as follows:

1. **Water Quality:** Within this category points are awarded for projects that address water quality regulatory violations or impaired water quality. Supporting evidence of impaired water quality and the need for corrective action shall be provided to support the award of points. This category is divided into six subcategories:
 - a. **Immediate Action:** Water quality violations requiring immediate action include surface water treatment rule violations and acute microbiological and inorganic chemical Maximum Contaminant Level (MCL) violations as well as lead Action Level exceedances. These violations pose health risks which must be brought into compliance expeditiously. High levels of other contaminants in subcategories b. and c. that are determined by DPH to

present immediate acute health risks may be elevated to subcategory a. and awarded additional priority points based on DPH's determination.

- b. **Non-Acute MCL Violations:** MCL violations for contaminants which have health risk ramifications over extended periods of time include the following subcategories: non-acute inorganic chemical, pesticides, herbicides, PCB's, organic chemicals, disinfection by-products and radioactivity.
- c. **Emerging Contaminants:** Includes drinking water contaminants that have been designated by EPA, or otherwise approved by EPA, as an emerging contaminant that is eligible for funding under Division J Title VI of PL 117-58 (otherwise known as the Bipartisan Infrastructure Law) for emerging contaminants in drinking water. This includes contaminants listed on any of the 5 [Contaminant Candidate Lists](#), as explained in Section E. This also includes Per- and Polyfluoroalkyl Substances (PFAS) which EPA established MCLs for in April of 2024.
- d. **Other Contaminants of Health Concern:** Includes drinking water contaminants for which DPH or EPA has determined a health risk exists even though the contaminant does not have an established MCL but does not qualify as an emerging contaminant in subcategory c. These may include regulated or unregulated contaminants that DPH or EPA has set formal action levels or health advisory limits for prior to establishment of a federal or state MCL. This subcategory also awards points for projects which address proactive steps taken to reduce elevated levels of contaminants that exceed 50% of their established MCL.
- e. **Physical/EPA Secondary MCLs:** This subcategory allows points for parameters that are primarily deemed aesthetic rather than having significant health ramifications. These contaminants or physical properties of water may make the water unsuitable for drinking rather than posing any significant known health risk. [A contaminant which has a secondary MCL and appears on a CCL is covered under subcategory c and excluded from this item.](#)
- f. **Private Wells:** Properties that are currently not being served by a PWS yet are experiencing private well contamination which may cause the private well to exceed an MCL contained in RCSA Section 19-13-B101 or exceed a private well [Action Level](#) established by the DPH, can be assigned ranking points, if the project involves the extension of water service to the affected wells and the applicant is eligible to receive a DWSRF loan. Where water main extensions are not feasible, points may be awarded for creation of a new PWS to serve these properties.

2. **Water Supply/Conservation:** Inadequate quantity of water supply has many public health implications. Supply shortages can translate to poor or inadequate pressure which can lead to back siphonage and potential contamination of the water distribution. Even with active cross connection programs, lack of pressure may result in accidental contamination events. Customers of public water systems also need adequate water service for basic sanitation needs within their homes and businesses. Within this category, points are awarded for projects that address inadequate water supply under normal operating conditions. Points are also awarded for proactive improvements that maintain the adequacy of source waters or contribute to the water conservation efforts of public water systems. This category includes:

- a. **Source Water Deficits:** New groundwater well development projects or interconnection projects with other PWSs that are necessary to comply with RCSA Section 19-13-B102(o). This may include demonstration of diminishing safe yield that reveals an imminent threat to maintaining the minimum required margin of safety of 1.15. A recent water audit will be required to be evaluated in the Preliminary Engineering Report.

- b. **System Capacity Deficits:** Projects that include capacity upgrades to water treatment plants, pump stations, storage facilities or transmission/distribution piping to comply with RCSA Section 19-13-B102(p). A recent water audit will be required to be evaluated in the Preliminary Engineering Report.
- c. **Source Development:** Projects that include the development of new groundwater sources or the rehabilitation of existing groundwater sources necessary to maintain, augment or replace existing sources that do not qualify for points under sub-category a.
- d. **Conservation/Water Loss Reduction:** This subcategory recognizes the important role that accurate metering, real-time water use monitoring, pipe replacement/rehabilitation programs and other water loss reduction projects play in a PWS's water conservation efforts. Additional points will be awarded to metering projects that incorporate Advanced Metering Infrastructure (AMI) technology to recognize the additional conservation benefits this technology provides. Also includes projects that involve the timely replacement or rehabilitation of water transmission or distribution system piping to reduce water loss due to leaks in existing piping and also increase flows and pressure to customers.
- e. **Private Wells:** Projects that involve extending water service to existing residential properties served by private wells that have gone dry or have experienced yield reductions that render the well incapable of sustaining the water supply necessary for basic sanitary needs.

3. **Infrastructure Violations/Deficiencies/Safety Hazards/Failures:** Points are awarded to projects that address infrastructure regulatory violations that are not covered in Category 2. Points are also awarded to projects that correct significant deficiencies under the Ground Water Rule. Other infrastructure deficiencies, safety hazards or failures identified by DPH in a sanitary survey report or documented by the PWS with supporting evidence included in the DWSRF Eligibility Application would be eligible for points in this category. Older [hydropneumatic storage tanks](#) may pose a safety risk as evidenced by a tank explosion in 2015 in North Stonington, CT that completely destroyed a pump station. Tank industry construction standards for these tanks improved in the early 1980's which has eliminated much of this risk with more modern tanks. For this reason, projects for the replacement or elimination of hydropneumatic storage tanks meeting one or more of the following criteria are also included in this category:

- Tanks with age greater than manufacturer's estimated useful service life
- Tanks recommended for replacement by DWS in a sanitary survey report
- Tanks recommended for replacement in a professional independent tank inspection report

Replacement of hydropneumatic storage tanks may include replacement of the existing fixed rate booster pumps with variable frequency drive (VFD) pumps and/or control system including the power supply upgrade.

4. **Consolidation:** Points are awarded to projects that consolidate two or more public water systems through water main interconnection or consecutive system. Small systems can benefit from the economies of scale achieved by being absorbed into, or served by, a larger community water system and, in many cases, benefit through an increased level of technical, financial and managerial (TFM) capacity. Small system to small system consolidations also offer opportunities for these small systems to share resources, increase TFM capacity by restructuring water system management and achieve greater economies of scale.

5. **Resiliency/Security:** Points within this category are awarded to projects that will increase a PWSs

ability to withstand and recover from natural or man-made disasters and includes climate change adaptation and drought. This category provides points for climate change or asset management planning projects. Points are also awarded to projects that already have, or incorporate, appropriate security elements relative to that project or for stand-alone security projects appropriate for an existing facility such as cybersecurity, security fencing, alarms and surveillance cameras. To qualify for cybersecurity points the project must be supported by appropriate cybersecurity assessments. To qualify for climate change or resiliency points, projects will need to be supported by appropriate studies. To receive points, projects must not be inconsistent with State or Federal climate change studies or statewide resiliency planning documents recognized and supported by DPH. Points will also be awarded to projects for stand-by emergency power generator systems (new, replacement, or upgrade to existing) for existing critical facilities that need to be powered during a loss of normal electrical grid power. Additionally, this category provides points to encourage PWS's to invest in asset management, climate change and cybersecurity planning if they have not already done so. Planning points will only be awarded for the creation of an initial plan. The DPH anticipates that these plans may result in future infrastructure projects that would qualify for DWSRF funding. Although these planning projects will be ranked independently, they may be combined with another eligible drinking water project into a single DWSRF loan agreement if both projects are included on the PPL and are undertaken simultaneously.

6. **Other Capital Improvements:** Points within this category are awarded for general proactive infrastructure projects that may not qualify for points within categories 1, 2, 3 or 4. These projects help achieve long term infrastructure sustainability so that health risks from infrastructure failure are averted. This category also includes the replacement of internal building piping of buildings owned and served by an eligible PWS that is part of a remediation strategy to address lead or copper levels. This category also includes projects which are eligible but do not fit into another category or activity. Examples of these types of projects can be found in the [EPA Eligibility Handbook](#).
7. **Lead Service Line Inventory and Replacement:** This category is for the inventory and replacement of lead service lines and/or lead goosenecks, pigtails, or connectors to individual customers including any portion located on a customer's private property. A lead service line includes any service line that contains any lead piping or meets the state or federal definition of a lead service line. In order to receive DWSRF funding for lead service line replacements, the entire service line must be replaced, not just a portion, unless a portion has already been replaced or is concurrently being replaced with another funding source. Partial lead service line replacements will not be funded due to health concerns associated with the possibility of increasing a customer's lead exposure by disturbing the remaining lead-containing piping.
8. **Sustainability/Statewide Planning Recognition:** Points within this category are awarded to eligible projects undertaken by a PWS directly related to an acquisition or transfer of a PWS with inadequate financial, managerial or technical capacity to another PWS as reviewed and ordered pursuant to CGS Section 16-262n & 16-262o. Points are also awarded to eligible projects undertaken by a PWS that actively implements an asset management program and their project is supported by that plan. Additionally, points are awarded for projects that are identified within a statewide or regional water supply planning document under the oversight of DPH including, but not limited to, the Coordinated Water System Plan of a Water Utility Coordinating Committee under CGS Section 25-33h or statewide or regional public drinking water resiliency plans. This category is intended to recognize and support the planning efforts of PWSs to achieve long term sustainability, assist other PWSs in

need and support the State's long term planning efforts for public water supply.

9. **Individual Project Planning:** This category awards points to planning projects undertaken by a PWS to address a broadly identified need but some or all of the specific needs are yet to be determined. These needs may include, but are not limited to, additional sources of supply, pumping facilities, storage facilities, and treatment facilities. A project which applies for funding under this category may be eligible for and awarded priority points under other project categories for subsequent phases of funding (e.g. design and/or construction) when the specific needs and project have been determined. The purpose of the planning project must be to address existing or imminent community drinking water infrastructure deficiencies, long-term drinking water infrastructure sustainability concerns or to address community public health concerns due to inadequacy of existing public drinking water infrastructure.
10. **Affordability:** This category awards points to projects which meet specific affordability criteria detailed in the DPH's DWSRF Disadvantaged Community Assistance Program (DCAP). The DCAP is prepared annually and included the annual DWSRF IUP. Specifically, a project must meet either the Disadvantaged Community Index score requirement or the Department of Economic and Community Development's Distressed Municipality Tract requirement. A project which meets both requirements will receive additional points. This category is intended to promote health equity in Connecticut by prioritizing drinking water infrastructure projects in disadvantaged communities.

The activities which qualify for points under each category along with the numerical value of points assigned to each activity are detailed in Appendix A.

The DPH reserves the right to determine if a project identified in a DWSRF Eligibility Application contains more than one independent project. In such cases, the DPH may split the application into multiple independent applications, request that the applicant resubmit independent Eligibility Applications for each independent activity or request the applicant to submit additional information to support the interrelationship between those activities identified in the original Eligibility Application prior to assignment of a ranking score. This right is exercised to prevent the blending of independent projects for the primary purpose of gaining overall point ranking advantage.

K. Readiness to Proceed

It is the DPH's intention, as well as the expectation of EPA, that the DPH will commit the available DWSRF funding each year to projects listed on the PPL. Similarly, it is expected that the committed funds will be disbursed in a timely manner. Accordingly, these commitments (in the form of executed DWSRF loan agreements) are not made until a project is ready to proceed and execute a loan agreement.

Regardless of the priority ranking score a project receives, only those phases (planning, design, construction) of eligible projects that can reasonably be expected to result in executed contracts (professional service and/or construction contracts) and DWSRF loan agreements within a specific SFY will be considered for inclusion on that year's PPL. Any phases not included on a PPL will be included on the Comprehensive Project List (CPL) and remain eligible for future funding. The criteria that DPH uses to assess readiness is included in the DWSRF Eligibility Application and explained in the annual IUP. The DPH may request updated readiness information for a project during development of the PPL if necessary.

L. Project Priority List and Comprehensive Project List

The State of Connecticut's capital budget is prepared on a biennial basis and State Fiscal Years run from July 1 through June 30. Annually the DPH will prepare an Intended Use Plan (IUP) that identifies how the State intends to use available DWSRF funds. The IUP will be submitted to the EPA as part of the DPH's annual capitalization grant application for federal DWSRF funds. The IUP will include a CPL of drinking water projects which have applied for DWSRF loans. The IUP will also identify which projects are expected to receive funding during that SFY on a PPL. For the years in which BIL funding is available, the annual IUP will include the use of those funds and be used to support the capitalization grant application for each category of BIL funds.

Following publication of the finalized annual IUP, the CPL may be updated periodically to include new eligibility applications that were received after the initial drafting of the annual IUP. If any changes were made to the CPL, an amended IUP will be posted on the DPH DWS website for a 30-day comment period. Once an amended IUP has been finalized, any project on the CPL will be considered for funding according to the bypass procedures in the IUP.

Projects on the CPL that are not included on a PPL will remain eligible for DWSRF funding in the future. Projects on the CPL may be subsequently added to a PPL if additional funding becomes available, other PPL projects are withdrawn by the applicant or a PPL project is bypassed by DPH.

There will be 5 factors taken into consideration when drafting a PPL. Those factors are:

1. The total numerical points assigned to a project which is arrived at by tallying points from each of the 10 priority point categories.
2. A PWS's readiness to proceed with the activities they have requested funding for.
3. To the extent that there are sufficient eligible small systems projects that are ready to proceed, not less than 15% of the available funding shall be dedicated to them.
4. To the extent required by federal law, a portion of DPH's capitalization grant shall be dedicated to projects that address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.
5. To the extent that there are sufficient eligible projects that qualify under the DWSRF's Disadvantaged Community Assistance Program (DCAP), the DPH shall dedicate at least 40 percent of the available funding each year to these projects. The DPH reserves the right to make changes to the DCAP at any time if such changes are necessary to comply with Section 223 of federal Executive Order 14008 (i.e. Justice40).

The DPH will publish the draft IUP and PPL for a 30 day public comment period followed by a public hearing on the PPL. Written comments and oral testimony provided on the IUP and PPL during this public participation process will be considered before the IUP and PPL are finalized.

M. Tie-Breaking Procedure

Following the implementation of factors 1-5 in Section L, in circumstances where more than one project has an equivalent ranking score, the following tiered approach will be implemented to break the tie:

1. Projects that qualify under the DCAP
2. The percentage of total system population served by the project; the project serving a higher percentage of the overall system population will be given preference.

3. The size of the population served by the project; the project with the larger population served will be given preference.
4. The size of the total population served by the system applicant; the system with the larger population will be given preference.

If two or more projects remained tied after implementation of tie-breaker #1, then #2 will be applied. If two or more projects remain tied after implementation of tie-breakers #1 & #2, then #3 will be applied. If two or more projects remain tied after implementation of tie-breakers #1, #2 and #3, then #4 will be applied. This tie-breaking method shall apply to projects listed on both the PPL and CPL.

N. Project Priority List Bypass Procedures

If for some reason an applicant listed on a PPL encounters significant delays in their project schedule, the DPH reserves the right to bypass that project and offer those funds to the next highest ranked project on the CPL that is ready to proceed. In these cases, the by-passed project will remain on the CPL and remain eligible for future funding. This bypass process is necessary to help ensure that the available DWSRF funds will be committed and disbursed in a timely fashion.

The DPH Commissioner may make a project loan or loans with respect to an eligible drinking water project without regard to the priority list of eligible drinking water projects if a public drinking water supply emergency exists, pursuant to CGS Section 25-32b, which requires that the eligible drinking water project be undertaken to protect the public health and safety. In such cases of unexpected public drinking water supply emergencies there may be a need to bypass projects on the PPL.

APPENDIX A – PRIORITY POINT ACTIVITIES AND VALUES

Category 1: Water Quality

| Activity # | a. Immediate Action | Points | Exclusions ¹ |
|------------|---|--------|-------------------------|
| 1 | Surface Water Treatment Rule Violation | 50 | None |
| 2 | Microbiological MCL Violation (E. Coli) | 50 | 1 |
| 3 | Nitrate MCL Violation | 50 | None |
| 4 | Nitrite MCL Violation | 50 | None |
| 5 | Lead Action Level Exceedance ² | 50 | None |
| 6 | DPH Determination of Acute Health Risk for Other Contaminants | 50 | None |
| 7 | Arsenic | 40 | None |
| Activity # | b. Non-Acute MCL Violations | Points | Exclusions ¹ |
| 8 | Radioactivity MCL Violations | 30 | None |
| 9 | Inorganic Chemical MCL Violations | 30 | 3-7 |
| 10 | Organic Chemical MCL Violations (excluding total trihalomethanes) | 30 | None |
| 11 | Pesticides, Herbicides and PCBs MCL Violations | 30 | None |
| 12 | Disinfection By-Product MCL Violations | 30 | None |
| Activity # | c. Emerging Contaminants | Points | Exclusions ¹ |
| 13 | PFAS Exceeding the EPA MCL | 30 | None |
| 14 | PFAS Detected at or Below the EPA MCL | 20 | None |
| 15 | Other Emerging Contaminant on an EPA Contaminant Candidate List (CCL) Exceeding an Established Action Level | 25 | None |
| 16 | Other Emerging Contaminant on an EPA Contaminant Candidate List (CCL) at or Below an Established Action Level | 15 | None |
| 17 | Other Emerging Contaminant on an EPA Contaminant Candidate List (CCL) which does not have an Established Action Level | 10 | None |
| Activity # | d. Other Contaminants of Health Concern | Points | Exclusions ¹ |
| 18 | DPH Action Level Exceedance (excluding lead and copper) | 25 | 5, 13-17, 20 |
| 19 | Contaminant Exceeds 50% of MCL | 20 | 1-12 |
| 20 | Copper Action Level Exceedance | 20 | 5,13-18 |

¹ Exclusion column indicates activity #'s that would be ineligible for additional points if the activities associated with those points are the same. Where 2 or more activities conflict the higher point activity shall be assigned to the project. These potential exclusions are typically displayed with the lower point value activity.

² Eligible schools and child care facilities with lead levels at or above 75% of the lead action level would qualify for this activity.

| Activity # | e. Physical/EPA Secondary MCL Exceedances | Points | Exclusions ¹ |
|------------|---|--------|-------------------------|
| 21 | Turbidity Limit Exceedance | 10 | 1 |
| 22 | Odor Limit Exceedance | 10 | None |
| 23 | Color Limit Exceedance | 10 | None |
| 24 | pH Outside Range of 6.4 - 10 | 10 | None |
| 25 | EPA Secondary MCL Exceedance | 10 | 9,13-19,22-24 |
| Activity # | f. Private Wells | Points | Exclusions ¹ |
| 26 | Water Main Extension to Serve Private Wells with MCL Violations | 30 | 1-12, 18-25, 27-29 |
| 27 | Water Main Extension to Serve Private Wells with Action Level Exceedances | 25 | 1-26, 28-29 |
| 28 | Creation of New PWS to Serve Private Wells with MCL Violations | 30 | 1-12, 18-27, 29 |
| 29 | Creation of New PWS to Serve Private Wells with Action Level Exceedances | 25 | 1-28 |

Category 2: Water Supply /Conservation

| Activity # | a. Source Water Deficits (Maximum 40 pts from this subcategory) | Points | Exclusions ¹ |
|------------|--|--------|-------------------------|
| 30 | New Groundwater Well Development | 40 | None |
| 31 | Rehabilitation of Existing Groundwater Wells | 40 | None |
| 32 | Interconnection to Purchase Water from Another Community PWS | 40 | None |
| Activity # | b. System Capacity Deficits | Points | Exclusions ¹ |
| 33 | System Capacity Deficit | 20 | None |
| Activity # | c. Source Development (Maximum 10 pts from this subcategory) | Points | Exclusions ¹ |
| 34 | New Groundwater Well Development | 10 | 30 |
| 35 | Rehabilitation of Existing Groundwater Wells | 10 | 31 |
| Activity # | d. Conservation/Water Loss Reduction | Points | Exclusions ¹ |
| 36 | Installation of Source Water Meters (previously unmetered) ³ | 25 | 30-32, 34-35 |
| 37 | Installation of Distribution Meters (previously unmetered) ³ | 25 | 40-41 |
| 38 | Replacement of Source or Distribution Meters ³ | 15 | 40-41 |
| 39 | Incorporation of Advanced Metering Infrastructure (AMI) technology (real-time metering) ³ | 10 | 40-41 |
| 40 | Water Transmission Main Rehabilitation or Replacement | 15 | 37-39 |
| 41 | Water Distribution Main Rehabilitation or Replacement | 10 | 37-39 |
| 42 | Project Will Significantly Reduce Water Loss (i.e. Unaccounted-for or Non-Revenue Losses) | 10 | 36-39 |
| Activity # | e. Water Main Extension to Replace Private Wells with Inadequate Supply | Points | Exclusions ¹ |
| 43 | Water Main Extension (complete Private/Non-Public Well Consolidation Form) | 30 | 1-25, 28-29 |

³ The primary purpose of the project must be for the installation or replacement of meters to qualify for these points.

Category 3: Infrastructure Violations/Deficiencies/Safety Hazards/Failures

| Activity # | Elements | Points | Exclusions ¹ |
|------------|---|--------|-------------------------|
| 44 | Infrastructure Violation/Deficiency/Safety Hazard/Failure (Source to Curb Stop) | 10 | 32 |
| 45 | Hydropneumatic Storage Tank Replacement/Elimination | 50 | None |

Category 4: Consolidation (Maximum 20 pts from Activities 47 and 48 combined)

| Activity # | Elements | Points | Exclusions ¹ |
|------------|--|---------|-------------------------|
| 46 | Consolidation of a Community PWS | 15 each | None |
| 47 | Consolidation of a Non-Transient Non-Community PWS | 10 each | None |
| 48 | Consolidation of a Transient Non-Community PWS | 5 each | None |

Category 5: Resiliency/Security

| Activity # | a. Resiliency | Points | Exclusions ¹ |
|------------|---|--------|-------------------------|
| 49 | Regional Interconnection with Another Community PWS | 15 | 36 |
| 50 | Relocation of Critical Facilities ⁴ | 10 | None |
| 51 | Redundancy of Critical Facilities ⁴ | 10 | None |
| Activity # | b. Planning (Maximum 50 pts from this subcategory) ⁵ | Points | Exclusions ¹ |
| 52 | Climate Change/Drought Planning | 50 | 1-51, 53-75 |
| 53 | Asset Management Planning | 50 | 1-52, 54-75 |
| 54 | Cybersecurity Assessment/Planning | 50 | 1-53, 55-75 |
| Activity # | c. Security ⁶ | Points | Exclusions ¹ |
| 55 | Security Fencing, Alarms, Surveillance Systems or Other Security Measures | 5 | 52-54, 75 |
| 56 | Project includes a cybersecurity improvement based on a cyber assessment | 10 | 52-54, 75 |
| Activity # | d. Emergency Power Provisions for Existing Critical Facilities | Points | Exclusions ¹ |
| 57 | New (does not currently exist) ⁷ | 50 | 1-55, 58-75 |
| 58 | Replacement or Upgrades ⁷ | 20 | 1-55, 59-75 |
| 59 | Included as Part of a Larger Project | 5 | None |

⁴ Project must be supported by a formal resiliency or climate change plan to qualify for these points.

⁵ Points are only awarded for the creation of an initial plan.

⁶ Security points may be awarded to projects with existing security provisions or for the installation of new security provisions.

⁷ Project must be only an emergency power project to qualify for these points.

Category 6: Other Capital Improvements

| Activity # | Elements | Points | Exclusions ¹ |
|------------|---|--------|--|
| 60 | Treatment Facilities | 10 | None |
| 61 | Pumping Facilities | 5 | None |
| 62 | Storage Facilities | 5 | 45 |
| 63 | Transmission or Distribution System | 5 | 40-41 |
| 64 | Facility Automation (SCADA) | 5 | None |
| 65 | Internal Building Piping Replacement (as part of Lead or Copper remediation) (only for those PWS which owns all internal plumbing, e.g. school which is also a PWS) | 10 | None |
| 66 | Other Eligible Capital Improvements | 5 | All except: 44, 50, 51, 55, 59, 67, 72-74, 76-78 |
| 67 | Project is a result of AWOP (Area-Wide Optimization Program) | 10 | None |

Category 7: Lead Service Line Inventory & Replacement

| Activity # | Elements | Points | Exclusions ¹ |
|------------|---|--------|-------------------------|
| 68 | Lead Service Line Inventory (planning) | 50 | 1-4, 6-67, 69-75 |
| 69 | Lead Service Line Replacement (Design/Construction) | 50 | 1-4, 6-68, 70-75 |
| 70 | Lead gooseneck, pigtails, connectors only (removal/replacement) | 40 | 1-4, 6-69, 71-75 |

Category 8: Sustainability/Statewide Planning Recognition

| Activity # | Elements | Points | Exclusions ¹ |
|------------|---|--------|-------------------------|
| 71 | Acquisition/Transfer of a Community PWS | 10 | None |
| 72 | Project is supported by an on-going Asset Management Program | 10 | 73 |
| 73 | Project is supported in a PWS's Water Supply Plan pursuant to RCSA Section 25-32d-3 | 5 | 72 |
| 74 | Project Identified in a Statewide or Regional Water Planning Document under DPH oversight | 10 | None |

Category 9: Individual Planning Projects

| Activity # | Elements | Points | Exclusions ¹ |
|------------|---|--------|-------------------------|
| 75 | Broad -based Drinking Water Infrastructure Planning | 50 | 1-74 |

Category 10: Affordability

| Activity # | Elements | Points | Exclusions ¹ |
|------------|---|--------|-------------------------|
| 76 | Greater than 50% of the Project Benefits Directed to Census Tracts within a Distressed Municipality | 10 | 77,78 |
| 77 | Median Disadvantaged Community Index ≥ 0.5000 | 10 | 76,78 |
| 78 | Meets both affordability conditions (76 and 77) | 15 | 76,77 |