



DRINKING WATER

Federal FY 2023 DWSRF Emerging Contaminants Grant Intended Use Plan For State FY 2024 FINAL AMENDED June 26, 2024

SCDHEC
Bureau of Water
2600 Bull Street
Columbia, SC 29201
www.scdhec.gov/srf



*Amended: Public Participation,
Appendix A*

Table of Contents

I.	Introduction	3
II.	Goals.....	4
A.	Short Term Goals.....	4
B.	Long Term Goals.....	4
III.	Transfer of Funds From/To the Drinking Water State Revolving Fund	4
IV.	Provisional Projects List	4
V.	Method for Selecting Projects and Distribution of Funds	5
A.	Priority Ranking System	5
B.	Comprehensive Priority List of DWSRF Projects	5
C.	Selection of Projects and SRF Funding.....	5
D.	Bypass Procedure.....	6
E.	Expeditious Use of Funds	6
F.	Sustainability Requirement.....	6
G.	Growth.....	7
H.	Interest Rates and Funding Terms for Eligible Projects	7
I.	Loan Application	7
VI.	Eligibilities.....	7
A.	Eligible Sponsors.....	7
B.	Compliance and Public Health	7
C.	Land	8
D.	Planning and Design Costs	8
E.	Legal and Appraisal Fees	8
F.	Construction Costs	8
G.	Contingency	9
H.	Phasing of a Drinking Water Project	9
I.	Projects and Activities Not Eligible for Funding	9
VII.	Funds Available.....	10
A.	Amount of Capitalization Grant.....	10
B.	State Match Requirement and Anticipated Cash Draw Ratio	10
C.	Set-Aside for Administration of the DWSRF Program	10
D.	Set-Aside for Technical Assistance for Small Systems.....	10
E.	Set-Aside for Local Assistance and Other State Programs.....	10
F.	Set-Aside for Assistance to State’s Programs.....	10
G.	Estimated Funds Available - State Fiscal Year (SFY) 2024.....	10
H.	Equivalency to Account for Federal Funds	11
I.	Fee Income.....	11
VIII.	Assurances and Specific Proposals.....	11
IX.	Additional Information / Requirements	11
A.	Federal Requirements.....	11
B.	Additional Subsidies.....	12
C.	Environmental Outcomes and Measures.....	13
D.	Public Participation.....	13

I. Introduction

The Drinking Water State Revolving Fund (DWSRF) was created by the 1996 amendments to the federal Safe Drinking Water Act (SDWA) to assist public water systems with financing the cost of infrastructure needed to achieve or maintain compliance with the SDWA. Section 1452 of the SDWA authorizes the Administrator of the US Environmental Protection Agency (EPA) to award capitalization grants to states to provide seed money for the purpose of establishing a low-interest loan program (the DWSRF) and other types of assistance to eligible water systems.

The Infrastructure Investment and Jobs Act of 2021 (also referred to as the Bipartisan Infrastructure Law or BIL) includes three new appropriations for the DWSRF, one of which is the Emerging Contaminants appropriations. The DWSRF Emerging Contaminants appropriations are authorized for five years starting with Federal Fiscal Year (FFY) 2022.

For a project or activity to be eligible for funding under the DWSRF Emerging Contaminants grant, it must be otherwise DWSRF eligible, and the primary purpose must be to address emerging contaminants in drinking water. The intent is that these funds focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS). However, projects for a contaminant on any of EPA's Contaminant Candidate Lists may be funded. For more information, see EPA memo: ["Implementation of the Clean Water and Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure Law" \(March 8, 2022\)](#).

This Intended Use Plan (IUP), required under the SDWA, describes how South Carolina proposes to use available DWSRF funds for State Fiscal Year (SFY) 2024 (July 1, 2023 through June 30, 2024) provided by federal funds allocated to South Carolina through the DWSRF Emerging Contaminants appropriations for FFY 2023. The funds will be used to support the objectives of the SDWA in the protection of public health. South Carolina's allotment from the Emerging Contaminants appropriations for FFY 2023 is \$9,549,000. Eligibility for DWSRF loans and DWSRF program requirements, including any requirements of the applicable appropriations legislation, are also included in the IUP.

The South Carolina Department of Health and Environmental Control (DHEC) has primary enforcement responsibility (i.e., primacy) for carrying out the provisions of the SDWA. DHEC is also the designated state agency to apply for and administer the capitalization grants for the DWSRF. The drinking water enforcement program and the DWSRF program are both in the DHEC Bureau of Water which facilitates cooperation and coordination between the two programs to address regulatory compliance issues for drinking water systems in the state. The South Carolina Water Quality Revolving Fund Authority (Authority) is responsible for the financial functions of the DWSRF, including its financial policies, and executes loan agreements with project sponsors. The South Carolina Rural Infrastructure Authority's Office of Local Government (RIA) conducts the staff functions of the Authority. During SFY 2023, there have been no changes to the organizational structure of the SC SRF program or the state statute that governs the implementation of the SC SRF program.

Once prepared, an IUP must be noticed for a period of at least 30 days to accept comments from the public. Comments on all facets of the DRAFT IUP are accepted. After considering

comments received, the IUP is finalized and posted on the DHEC SRF Reports and Publications web page at www.scdhec.gov/srfreports.

II. Goals

South Carolina has identified several short- and long-term goals, designed to promote sustainable improvements to the state's drinking water infrastructure and help ensure maximum public health and environmental benefits.

A. Short Term Goals

1. Assist local communities as they respond to emerging contaminants in drinking water with a focus on PFAS.

B. Long Term Goals

1. Assist local communities as they strive to address emerging contaminants in drinking water with a focus on PFAS.
2. Use Principal Forgiveness (PF) funds to assist small and disadvantage communities and systems as they strive to address emerging contaminants in drinking water with a focus on PFAS.
3. Maintain a working relationship with other infrastructure funding authorities within the state to coordinate drinking water quality funding.

III. Transfer of Funds From/To the Drinking Water State Revolving Fund

The SC SRF program reserves the ability to transfer funds between the CWSRF and Drinking Water (DW) SRF as provided for by federal law. Fund transfers from the CWSRF to the DWSRF or from the DWSRF to the CWSRF will be done to assist in meeting the funding demands in the CWSRF and DWSRF. The law allows the SRFs to transfer an amount equal to 33% of each annual Drinking Water capitalization grant. The EPA will receive written notification prior to any transfers occurring.

For SFY 2024, the SC SRF will transfer \$2,178,000 from the CWSRF Emerging Contaminants grant to the DWSRF Emerging Contaminants grant.

IV. Provisional Projects List

The Drinking Water Provisional Project List (PPL) (Appendix A) identifies projects that are considered eligible and ready to proceed in SFY 2024.

Final funding decisions for each project are contingent on a review of the project sponsor's technical and managerial capacity, a completed environmental review of the proposed project, and issuance of a DHEC SRF construction permit (or letter of approval to construct).

All projects on the Provisional Project List will receive PF funds. These funds are only available if the FFY 2023 DWSRF Emerging Contaminants capitalization grant is awarded by EPA and accepted by DHEC. Project listing is not a commitment of funding.

V. Method for Selecting Projects and Distribution of Funds

A. Priority Ranking System

DHEC has a Priority Ranking System for projects seeking funding from the DWSRF. A copy of the ranking system used to score and rank projects can be found on the SRF Reports and Publications web page at www.scdhec.gov/srfreports. In addition, projects must meet the requirements for the DWSRF Emerging Contaminants grant as described in the EPA's "[Implementation of the Clean Water and Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure Law](#)" (March 8, 2022) memo.

B. Comprehensive Priority List of DWSRF Projects

For a project to be considered for funding from the DWSRF, it must appear on the Comprehensive Priority List of DWSRF Projects. To be included in this list, an eligible project sponsor must complete a Project Questionnaire (PQ), DHEC 3463 or a similar funding request application approved by DHEC. The DHEC 3463 form can be found on the SRF Forms web page at www.scdhec.gov/srfforms. A project sponsor may submit a completed PQ to the SRF section of DHEC's Bureau of Water at any time. Once the PQ is received, DHEC staff evaluate the project based on the requirements for the DWSRF Emerging Contaminants grant, DWSRF Priority Ranking System, and the project's numeric score. The project is then added to the Comprehensive Priority List of DWSRF Projects in rank order. Projects with the same numerical score are ordered based on how the project addresses correcting the risk to public health and compliance with the Safe Drinking Water Act. DHEC maintains an updated Comprehensive Priority List on the SRF Reports and Publications web page at www.scdhec.gov/srfreports.

If a project remains on the Comprehensive Priority List for two years and does not proceed, the project will be removed from the list unless the sponsor provides an updated PQ.

C. Selection of Projects and SRF Funding

The selection of projects for the Provisional Project List (Appendix A) is based on the requirements for the DWSRF Emerging Contaminants grant, project rank and cost, availability of funds, consideration of the by-pass procedures in Section V.D., and the sponsor's indicated readiness to proceed with a project during SFY 2024. Ready to proceed in SFY 2024 means that a project will be in compliance with the SRF schedule for submission of an acceptable preliminary engineering report and construction permit application as well as completing the SRF loan assistance agreement (PF) requirements.

D. Bypass Procedure

When selecting projects for funding, DHEC may bypass projects on the Comprehensive Priority List as follows:

1. To address an imminent hazard to public health as determined by DHEC.
2. To fund projects for eligible sponsors that have not previously received DWSRF funding.
3. To fund an equitable geographic distribution of projects.
4. To fund projects that do not receive direct federal allotments in order to distribute funds more evenly across the state. Additionally, the SRF may choose to not fund projects that appear on the PPL that later receive a direct federal allotment.

E. Expeditious Use of Funds

To promote timely commitment and use of SRF funds, DHEC will determine milestones for each project related to the completion of the PER and submission of plans and specifications to obtain a construction permit or letter of approval to construct. For the projects listed on the PPL, the project sponsor should meet these milestones to ensure funds will not be committed to other projects. DHEC will take into account the complexity of the project and work with project sponsors in setting, and revising if appropriate, project milestones. It is the goal of the program to have projects on the PPL that have a signed loan assistance agreement within 18 months of the date EPA awards the grant. With current resource shortages for materials and qualified engineers and contractors, DHEC realizes that it may be challenging for sponsors to meet this goal.

Currently, project design and construction costs are increasing, often at a rapid pace. Therefore, sponsors with projects on the PPL will be encouraged to bid project alternatives, if feasible. Some projects on the PPL may still exceed the SRF project budget shown on the PPL. To address this possibility, projects on the PPL may receive additional funding if justified and approved by DHEC.

F. Sustainability Requirement

The DWSRF may not provide any financial assistance to a system that has failed to maintain a satisfactory level of SDWA compliance as enumerated by EPA's Enforcement Targeting Tool (ETT) unless the State conducts a review and determines that the project will enable the system to return to compliance and the system will maintain an adequate level of technical, managerial and financial capability to maintain compliance. Nor may assistance be provided to any project sponsor that lacks the technical, managerial or financial capability to maintain SDWA compliance, unless the sponsor agrees to undertake feasible and appropriate changes in operation or if the use of the financial assistance from the DWSRF will promote sustainability and compliance over the long-term (Section 1452(a)(3)(B)(I) of the SDWA).

Sponsor sustainability is evaluated using DHEC's Utility Sustainability Assessment (UtSA) (DHEC 0574). The UtSA is a written system assessment completed by the Sponsor and reviewed and scored by DHEC that includes operational issues, managerial issues and

limited financial information. Unless an acceptable score was received on a UtSA within the previous three years, a UtSA is requested of sponsors with projects on the Provisional Projects List. Additional financial assessment is performed by RIA as part of the preliminary financial review and loan application process.

G. Growth

The DWSRF cannot provide assistance to finance the expansion of any drinking water system solely in anticipation of future population growth (Section 1452(g)(3)(C) of the SDWA). In determining whether or not a project is eligible for assistance, DHEC will determine the primary purpose of the project. If the primary purpose is to attract growth, the project is not eligible to receive DWSRF funds. However, a reasonable amount of growth over a project's useful life is eligible so long as the primary purpose is to address public health concerns related to emerging contaminants.

H. Interest Rates and Funding Terms for Eligible Projects

The DWSRF Emerging Contaminants grant requires that the funds be used for 100% PF loans. Therefore, interest rates are not applicable to the projects funded by this grant.

I. Loan Application

Loan applications are not applicable to this grant.

VI. Eligibilities

A. Eligible Sponsors

Municipalities, counties, special purpose districts, and other public entities are eligible DWSRF project sponsors. Also eligible are private, non-profit community water systems established by state law.

B. Compliance and Public Health

The DWSRF may only provide assistance for expenditures (not including monitoring, operation and maintenance expenditures) to address emerging contaminants in drinking water with a focus on PFAS through capitalization grants under section 1452(t) of the Safe Drinking Water Act for the purposes described in section 1452(a)(2)(G) of such Act. For a project or activity to be eligible for funding under this appropriation, it must be otherwise DWSRF eligible and the primary purpose must be to address emerging contaminants in drinking water.

Projects to consolidate water supplies, for example, when a public water supply is contaminated, are eligible for DWSRF assistance. Also, planning and design projects to improve the capabilities of a system to address emerging contaminants in drinking water with a focus on PFAS are eligible.

C. Land

Land is eligible only if it is integral to a project that is needed to meet or maintain compliance and further public health protection. In this instance, land that is “integral to a project” is only the land where eligible treatment or distribution projects will be located. The purchase price of all land, rights-of-ways, and easements, not to exceed the appraised value, may be included in the loan assistance application when: 1) the land is obtained less than one year prior to the date of a complete loan application, 2) an appraisal, prepared by a qualified appraiser, is submitted on each parcel, right-of-way and easement, and 3) the land is acquired from a willing seller. For land with structures or other improvements, only the appraised value of the land is DWSRF loan eligible, not the appraised value of the land with the structures or improvements.

D. Planning and Design Costs

A DWSRF loan assistance agreement may include the costs of project planning and services incurred prior to construction (e.g., costs associated with preparing the PER, plans and specifications, advertising, pre-bid conference, bidding procedures, pre-construction conference, loan application, or administration). Only those costs for which there is clear documentation of expenses incurred solely for the proposed project and are dated no earlier than 36 months prior to the date of a complete loan application to RIA are eligible for funding.

E. Legal and Appraisal Fees

In general, legal and appraisal costs associated with obtaining land (rights-of-way and easements) are eligible.

F. Construction Costs

Construction costs include the costs associated with the construction of the project by a contractor. The DWSRF may provide assistance for the costs associated with engineering services during construction, such as inspections, change orders, overview of contractors, shop drawings, record drawings, concrete or soil testing, Davis-Bacon, American Iron and Steel, and Build America, Buy America administration (as needed), and draw requests.

Equipment that is directly purchased by the sponsor for the project, such as pumps, generators, etc., is eligible.

Materials such as pipe, valves, brick, mortar, etc., that are directly purchased by the sponsor are eligible. The materials may be installed either by a contractor or by the sponsor using its own employees and equipment. Eligibility is limited to the costs of materials. The costs of supplies such as fuel, oil and tools used by the sponsor to install the materials are not eligible for funding under the DWSRF program. Additionally, force account labor is not eligible.

G. Contingency

The SRF program allows a contingency on eligible construction cost for projects as follows: ten percent (10%) of the construction line item for the first \$10 million dollars of construction cost and five percent (5%) for the construction amount that exceeds \$10 million.

The SRF program allows a contingency of two and a half percent (2.5%) for materials that are directly purchased by the sponsor.

There is no contingency allowed on equipment.

H. Phasing of a Drinking Water Project

To make construction and/or funding more manageable, a project may be divided into separately funded phases or segments at the option of the sponsor. However, to be DWSRF-eligible, any such phase or segment must be of reasonable size and scope; must feasibly address a water quality or public health deficiency; and, when constructed must have the capability of being placed into immediate full operation, without its full operation being dependent on a subsequent project phase, segment or other outside operation yet to be completed. After a given project phase is funded, subsequent phases must stand separately in competing with other projects for priority list ranking in later fiscal years.

I. Projects and Activities Not Eligible for Funding

The DWSRF will not provide funding assistance for the following projects and activities:

1. Projects whose primary purpose is to address a contaminant for which a Primary Drinking Water Regulation exists, with an exception for PFAS;
2. Dams, or rehabilitation of dams;
3. Reservoirs, 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. The purchase of water rights;
5. Laboratory fees for monitoring;
6. Operation and maintenance expenses;
7. Projects needed mainly for fire protection;
8. Projects for systems that lack adequate technical, managerial and financial capability, unless assistance will facilitate compliance;
9. Projects for systems in significant noncompliance, unless funding will facilitate compliance;
10. Projects primarily intended to serve future growth;
11. Refinancing of existing debt;

12. Projects for systems when consolidation or regionalization is the most feasible alternative for a system to maintain sustainability, unless the project addresses or supports consolidation or regionalization.

VII. Funds Available

A. Amount of Capitalization Grant

South Carolina’s allotment for DWSRF Emerging Contaminants from the FFY 2023 federal appropriation is \$9,549,000. SC was reallocated an additional \$66,000.

B. State Match Requirement and Anticipated Cash Draw Ratio

The state match requirement has been waived for the DWSRF Emerging Contaminants capitalization grant.

C. Set-Aside for Administration of the DWSRF Program

The SDWA allows states to use four percent (4%) of each capitalization grant to fund the administration of the State’s DWSRF program and other non-project activities. For SFY 2024, the State does not plan to take the set-aside for administration of the DWSRF program from the FFY 2023 DWSRF Emerging Contaminants capitalization grant.

D. Set-Aside for Technical Assistance for Small Systems

The SDWA allows states to set aside up to two percent (2%) of each capitalization grant to fund technical assistance (TA) services to small water systems that serve fewer than 10,000 people. For SFY 2024, the State does not plan to take this set-aside from the FFY 2023 DWSRF Emerging Contaminants capitalization grant.

E. Set-Aside for Local Assistance and Other State Programs

The SDWA allows states to set aside up to 15% of each capitalization grant to fund various state drinking water protection initiatives. No more than 10% of its annual DWSRF grant can fund any one initiative. For SFY 2024, the State does not plan to take this set-aside from the FFY 2023 DWSRF Emerging Contaminants capitalization grant.

F. Set-Aside for Assistance to State’s Programs

The SDWA allows states to set aside up to 10% of each capitalization grant to assist with funding of State Drinking Water Programs. For SFY 2024, the State does not plan to take this set-aside from the FFY 2023 DWSRF Emerging Contaminants capitalization grant.

G. Estimated Funds Available - State Fiscal Year (SFY) 2024

FFY 2023 DWSRF Emerging Contaminants federal capitalization grant	\$9,549,000
FFY 2023 DWSRF Emerging Contaminants reallocation	\$66,000
State match for FFY 2023 capitalization grant	\$0
Estimated amount of funds to be transferred from the FFY 2023 CWSRF Emerging Contaminants capitalization grant	\$2,178,000
Value of set-asides from FFY 2023 DWSRF capitalization grant	\$0

Estimated Total Funds Available for SFY 2024 Projects	\$11,793,000
---	--------------

Note: The project funding needs identified in the PPL are equal to the amount identified in the table above for the FFY 2023 DWSRF Emerging Contaminants capitalization grant.

H. Equivalency to Account for Federal Funds

DHEC will use equivalency projects to account for the federal funds awarded to the SC DWSRF program through this capitalization grant. The amount that must be accounted for includes the total federal grant award minus any set-aside funds received from the grant. All projects on the Emerging Contaminants PPL are subject to equivalency requirements. Equivalency projects will be required to meet all of the federal requirements listed in Section IX.

The projects are subject to the reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA).

I. Fee Income

Not applicable to PF projects.

VIII. Assurances and Specific Proposals

DHEC has provided assurances and specific proposals as part of the Operating Agreement between South Carolina and EPA. The Operating Agreement provides a framework of procedures for operation and administration of the DWSRF including:

1. Environmental Reviews: The State will conduct environmental reviews according to the procedures identified in its Operating Agreement.
2. Binding Commitments: The State will enter into binding commitments for 100% of the amount of each quarterly payment under the capitalization grant within one year of each such payment.
3. Expeditious and Timely Expenditures: The State will expend all funds in the DWSRF in an expeditious and timely manner as previously discussed.

IX. Additional Information / Requirements

A. Federal Requirements

Sponsors will be notified of all applicable federal requirements once their project is identified as a candidate for funding. Several federal requirements are required of all SRF loan assistance recipients as follows:

- Environmental review of the project
- Compliance with Civil Rights Laws
- Davis-Bacon prevailing wage rates
- American Iron and Steel

- Disadvantaged Business Enterprise compliance (DBE)
- Build America, Buy America provisions
- Equal Employment Opportunity
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards: Title 2 CFR, Parts 200 and 1500 (“Uniform Guidance” – governs single audit requirements)
- BIL Signage (for construction projects)

B. Additional Subsidies

The FFY 2023 DWSRF Emerging Contaminants appropriations require that 100% of the capitalization grant (\$9,784,000), net of set-asides taken, be used to provide additional subsidy to DWSRF projects and that all additional subsidies must be in the form of assistance agreements with 100% forgiveness of principal or grants. South Carolina will use assistance agreements with 100% forgiveness of principal to satisfy this requirement. RIA staff conduct a thorough financial review of each system sponsor to determine if they can afford an SRF loan. At least 25% of these funds must be provided to eligible DWSRF assistance recipients that meet the state’s disadvantaged community criteria or to public water systems serving fewer than 25,000 persons. South Carolina’s criteria for disadvantaged communities include:

- Small systems (population less than 10,000), with a Median Household Income (MHI) less than the State MHI that cannot qualify for a DWSRF loan;
- A sustainable system owner willing to assume ownership or receivership of an unsustainable or abandoned system; or
- A sustainable system owner willing to provide drinking water service to homeowners with private wells with emerging contaminants that exceed health-based levels.

EPA expects the SRF program to ensure that systems and project sponsors that receive additional subsidy have the technical, managerial and financial capacity to maintain compliance with federal and state regulations. The Utility Sustainability Assessment mentioned in section V.F. above is one tool used by the SRF to evaluate the technical, managerial and financial capacity of a potential SRF additional subsidy recipient. Systems that do not have adequate technical, managerial and financial capacity may receive additional subsidy funds if the system/sponsor agrees to undertake needed changes in operation that will promote sustainability or if the use of the financial assistance from the DWSRF will promote sustainability and compliance over the long-term. The sponsor may not be eligible for additional subsidies on future projects until the agreed upon operational changes have been fully implemented. Also, systems receive PF funds must not be delinquent on submission of annual financial audits to the State Treasurer’s Office as required by SC state law.

The SRF Program plans to utilize additional subsidy funds, provided as PF, for projects that are ready to proceed, to encourage the following priorities:

- Address emerging contaminants in drinking water with a focus on PFAS;
- Address potential health concerns of emerging contaminants, preferably through consolidation or regionalization; and

- Provide public water to address emerging contaminants and related health concerns in private wells.

All projects in Appendix A are eligible for PF funds. The SRF Program reserves the right to adjust PF amounts. PF funds are only available if EPA awards the FFY 2023 DWSRF Emerging Contaminants Capitalization Grant and it is accepted by DHEC. Project listing is not a commitment of funding.

C. Environmental Outcomes and Measures

DHEC will update EPA's SRF Data System at least quarterly to report financial information about the program and projects, loan information, and project activities and benefits.

D. Public Participation

Notice of the draft IUP is e-mailed to each project sponsor on the Comprehensive Priority List of DWSRF Projects and other interested parties.

During the public notice period (30-day minimum), the Draft IUP notice and DRAFT FFY 2023 DWSRF Emerging Contaminants IUP are available from the DHEC SRF Reports and Publications web page at www.scdhec.gov/srfreports. Revised IUPs with significant changes must also have a public notice period (14 day minimum). Interested parties are invited to review the documents and submit written comments by the deadline established in the Draft IUP notice.

The Draft Amended FFY 2023 DWSRF Emerging Contaminants IUP was posted to the DHEC website on February 9, 2024. Notice of the draft IUP was emailed to SRF contacts, Rural Infrastructure Authority contacts, DHEC watershed stakeholders, and included in communications to members of the SC Rural Water Association, the South Carolina Association of Counties, and the Municipal Association of South Carolina. Comments were accepted until 5:00 PM on February 23, 2024. No comments were received.

The Draft Amended FFY 2023 DWSRF Emerging Contaminants IUP was posted to the DHEC website on May 22, 2024. Notice of the draft IUP was emailed to SRF contacts, Rural Infrastructure Authority contacts, DHEC watershed stakeholders, and included in communications to members of the SC Rural Water Association, the South Carolina Association of Counties, and the Municipal Association of South Carolina. Comments were accepted until 5:00 PM on June 5, 2024. No comments were received.

SOUTH CAROLINA
DWSRF Emerging Contaminants SFY 2024 Provisional Priority List¹

	Sponsor and Project Name ²	SRF Project Number	Project Description	SC Water System ID Number	Estimated Total Project Cost	Estimated SRF Loan Amount	Estimated Principal Forgiveness Assistance ³	Sponsor's Service Population	Population Affected by Project	Total Points
1	Batesburg-Leesville, Town of - Finished Water Supply to Batesburg - Leesville from JMWSC ²	3210002-04	The existing source for the Town of Batesburg-Leesville has PFOS and PFOA levels above the proposed regulatory limits according to sampling performed in 2020. The source from JMWSC (West Columbia Lake Murray WTP) has PFOS and PFOA levels that are lower.	3210002	\$ 17,100,000	\$ -	\$ 4,250,000	7,800	7,800	95
2	Florence, City of - Pee Dee Regional WTP - Advanced PFAS Treatment Study ²	2110001-06	A study, and subsequent pilot testing, will be conducted to determine which process is recommended for the Pee Dee WTP. This study will involve pilot testing one or more of the technologies. This would allow the City to make informed choices during the design of the current expansion to enable integration of any advanced PFAS treatment process (e.g., placement of tees with blind flanges in yard piping, allocation of appropriate space). This would also allow the City to determine a cost-effective phased plan of improvements to comply with upcoming PFAS and other emerging contaminant regulations.	2110001	\$ 500,000	\$ -	\$ 500,000	136,504	136,504	80
3	Beaufort-Jasper Water & Sewer Authority - Purrysburg Water Treatment Plant PFAS Treatment Project ²	0720003-23	This project includes planning and design engineering services and some pilot testing for a PFAS treatment project that would install post-filter adsorption treatment technology at the Purrysburg WTP. The project would consist of a dedicated new building and would house the media contactors and related equipment required such as influent and backwash pumps, media delivery and storage facilities, cartridge filters, associated piping and valves, necessary chemical feed and storage monitoring equipment, and backwash water storage.	0720003	\$ 5,521,100	\$ -	\$ 2,139,000	150,000	150,000	80
3	West Columbia, City of - Riverside Water Treatment Facility Filtration Upgrades ²	3210004-04	Generally the project includes upgrading the facilities 6 dual media gravity filters with new underdrains, cementitious wall coatings, and granular activated carbon. Work will replace aging Leopold underdrains with new restrain compatible blocks and media retainers while adding granular activated carbon to address EPA's proposed MCL's for PFAS.	3210004	\$ 3,200,000	\$ -	\$ 3,200,000	110,000	21,000	80
4	Belton-Honea Path Water Authority - Water Treatment Plant Improvements ²	0410011-04	This project includes upgrades to the water treatment plant to improve treatment performance and remove emerging contaminants (PFAS).	0410011	\$ 3,250,000	\$ -	\$ 1,704,000	2,277	17,389	20
Totals:					\$ 29,571,100	\$ -	\$ 11,793,000			
SFY 2024 Total of SRF Loan + Principal Forgiveness Amount⁴:					\$	-	\$ 11,793,000			

Footnotes

1 Projects on the Provisional Project List are ranked based on priority for funding.

2 Equivalency project. All projects on this DWSRF IUP have Equivalency requirements.

3 As discussed in Section IX.B. of this IUP, the required Additional Subsidy is 100% of the capitalization grant (\$9,784,000) plus 100% of the transferred CWSRF Emerging Contaminants capitalization grant (\$2,178,000), or \$11,727,000 total. SC uses Principal Forgiveness Assistance to satisfy the Additional Subsidy requirement. The total Estimated Principal Forgiveness Assistance is shown on the table above. The Principal Forgiveness funds are subject to change and are only available if the DWSRF Capitalization Grant referenced in this IUP is awarded by EPA and accepted by DHEC. Project listing is not a commitment of funding.

4 See available funds discussions in Section VII.G. of this DWSRF IUP.