



# **Federal FY 2025 DWSRF Emerging Contaminants Grant Intended Use Plan**

For State FY 2026

DRAFT

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SC DEPARTMENT of  
**ENVIRONMENTAL  
SERVICES**

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# 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 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) 2026 (July 1, 2025 through June 30, 2026) provided by federal funds allocated to South Carolina through the DWSRF Emerging Contaminants appropriations for FFY 2025. 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 2025 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 Environmental Services (SCDES) has primary enforcement responsibility (i.e., primacy) for carrying out the provisions of the SDWA. SCDES 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 SCDES 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 management 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. On July 1, 2024, Act 60 of S.C. law took effect, and the Department of Health and Environmental Control (DHEC) was split into two agencies, one being SCDES. The SRF responsibilities associated with DHEC were transferred to SCDES.

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 SCDES SRF Reports and Publications web page at [des.sc.gov/srfreports](https://des.sc.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 (Outputs)

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

### B. Long Term Goals (Outcomes)

1. Assist local communities as they strive to address emerging contaminants in drinking water with a focus on PFAS (deliverable).
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 (deliverable).
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 2026, the SC SRF will not transfer funds between the CWSRF and DWSRF but reserves the right to do so if needed to meet demand in either the Clean Water or Drinking Water Emerging Contaminants capitalization grant programs during SFY 2026.

## IV. Cross-Collateralization

The DWSRF fund is not leveraged and DWSRF funds will not be used for debt security. There is no cross-collateralization of programs.

## V. Provisional Projects List

The Drinking Water Provisional Project List (PPL) (Appendix A) identifies projects that are considered eligible and ready to proceed in SFY 2026.

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 SCDES construction permit (or letter of approval to construct) that meets SRF requirements.

All projects on the Provisional Project List will receive PF funds. These funds are only available if the FFY 2025 DWSRF Emerging Contaminants Capitalization Grant is awarded by EPA and accepted by SCDES. Project listing is not a commitment of funding.

## VI. Method for Selecting Projects and Distribution of Funds

### A. Priority Ranking System

SCDES 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 [des.sc.gov/srfreports](https://des.sc.gov/srfreports). The priority ranking system is reviewed on an annual basis and updated as needed. 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), DES 3463 or a similar funding request application approved by SCDES. The DES 3463 form can be found on the SRF Forms web page at [des.sc.gov/srfforms](https://des.sc.gov/srfforms). A project sponsor may submit a completed PQ to the Division of State Revolving Fund in the SCDES Bureau of Water at any time. Once the PQ is received, SCDES 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. SCDES maintains an updated Comprehensive Priority List on the SRF Reports and Publications web page at [des.sc.gov/srfreports](https://des.sc.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 VI.D., and the sponsor's indicated readiness to proceed with a project during SFY 2026. Ready to proceed in SFY 2026 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, SCDES may bypass projects on the Comprehensive Priority List as follows:

1. To address an imminent hazard to public health as determined by SCDES;
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 so the SRF can meet the federal expeditious and timely use of funds requirement; and,
5. To fund projects that do not receive direct federal allotments in order to distribute funds more evenly. 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, SCDES 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. SCDES 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 12 months of the date of each quarterly payment in the EPA grant award. With current resource shortages for materials and qualified engineers and contractors, SCDES 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 SCDES.

## 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 the SCDES Utility Sustainability Assessment (UtSA) (DES 0574). The UtSA is a written system assessment completed by the Sponsor and reviewed and scored by SCDES 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, SCDES 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 Capitalization Grant requires that the funds be used for 100% additional subsidization which the DWSRF program provides as 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.



## VII. 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; or
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.

## VIII. Funds Available

### A. Amount of Capitalization Grant

South Carolina's allotment for the FFY 2025 DWSRF Emerging Contaminants Capitalization Grant is \$9,549,000.

### B. State Match Requirement and Cash Draw

The state match requirement has been waived for the DWSRF Emerging Contaminants Capitalization Grant. All draws of federal funds from the capitalization grant will be at 100% since there is no state match. The State will draw funds from the capitalization grant according the payment schedule (timeline) submitted with the grant application and presented in the grant award.

### C. Set-Aside for Administration of the DWSRF Program

The SDWA allows a state to use four percent (4%) of each capitalization grant to cover the reasonable costs to administer the DWSRF Emerging Contaminants program. For SFY 2026, the State will take \$381,960, or approximately 4.0%, of the FFY 2025 DWSRF

Emerging Contaminants capitalization grant for administration of the DWSRF Emerging Contaminants program.

#### 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 2026, the State does not plan to take this set-aside from the FFY 2025 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 2026, the State plans to use \$805,659, or approximately 8.4%, to conduct sampling for emerging contaminants in small communities from the FFY 2025 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 2026, the State does not plan to take this set-aside from the FFY 2025 DWSRF Emerging Contaminants Capitalization grant.

#### G. Estimated Funds Available — State Fiscal Year (SFY) 2025

FFY 2025 DWSRF Emerging Contaminants Capitalization Grant	\$9,549,000
State match for FFY 2025 DWSRF Emerging Contaminants Capitalization Grant	\$0
Estimated amount of funds to be transferred from the FFY 2025 CWSRF Emerging Contaminants Capitalization Grant	\$0
Set-Aside for Administration of the DWSRF Program	-\$381,960
Set-Aside for Local Assistance and Other State Programs	-\$805,659
Estimated Total Funds Available for SFY 2026 DWSRF Emerging Contaminants Projects	\$8,361,381

**Note:** The project funding needs identified in the PPL are equal to the amount identified in the table above for the FFY 2025 DWSRF Emerging Contaminants capitalization grant.

#### H. Equivalency to Account for Federal Funds

SCDES 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 the federal requirements listed in Section X.A.

The equivalency projects that have binding commitments (signed loan agreements) will be identified in the DWSRF Annual Report (deliverable) and reported to the federal

government (deliverable) pursuant to the requirements of the Federal Funding Accountability and Transparency Act (FFATA).

## I. Fee Income

Not applicable to PF projects.

# IX. Assurances and Specific Proposals

SCDES 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.

# X. Additional Information / Requirements

## A. Federal Requirements

Sponsors will be notified of all environmental and social cross-cutter requirements, as well as other applicable federal requirements once their project is identified as a candidate for funding. Guidance on federal requirements can be found on the SRF Guidance web page at [des.sc.gov/srfguidance](https://des.sc.gov/srfguidance). 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
- Build America, Buy America provisions
- American Iron and Steel
- Disadvantaged Business Enterprise compliance (DBE)
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards: Title 2 CFR, Parts 200 and 1500 ("Uniform Guidance" – governs single audit requirements)
- SRF Signage (for construction projects)
- Telecommunications and video surveillance prohibition

The projects that meet these federal requirements will be identified in the DWSRF Annual Report (deliverable).

## B. Annual Report and Annual Review

An annual report (deliverable) will be submitted by September 30, 2025, that will quantify the results and present the milestones of the capitalization grants awarded for FFY 2024.

DWSRF participated in the 2024 EPA Annual Review held January 7 - 8, 2025. The State did not have any audit findings during SFY 2024. DWSRF anticipates receiving and responding to the EPA Program Evaluation Report (PER) for FFY 2024 funding in SFY 2025 during and following the Annual Review/PER.

## C. Additional Subsidies

The FFY 2025 DWSRF Emerging Contaminants appropriations require that 100% of the capitalization grant (\$9,549,000), 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 PFAS levels exceeding MCLs or 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 VI.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 2025 DWSRF Emerging Contaminants Capitalization Grant and it is accepted by SCDES. Project listing is not a commitment of funding.

## D. Environmental Outcomes and Measures

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

## E. Public Participation

Notice of the draft IUP is emailed 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 2025 DWSRF Emerging Contaminants IUP are available from the SCDES SRF Reports and Publications web page at [des.sc.gov/srfreports](https://des.sc.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.

SOUTH CAROLINA  
DWSRF Emerging Contaminants SFY 2026 Provisional Priority List<sup>1</sup>

Rank	Sponsor and Project Name <sup>2</sup>	SRF Project Number	Project Description	SC Water System ID Number	Estimated Total Project Cost	Estimated SRF Loan Amount	Estimated Principal Forgiveness Assistance <sup>3</sup>	Sponsor's Service Population	Population Affected by Project	Total Points
1	<b>Cheraw, Town of</b> - PFAS Pilot Study <sup>2</sup>	1310001-04	Conduct a pilot study to test a proposed PFAS Treatment System that is much more financially feasible to operate than a traditional GAC System.	1310001	\$ 150,000	\$ -	\$ 150,000	5,100	5,100	90
2	<b>Santee Cooper</b> - Lake Marion PFAS Treatment Testing <sup>2</sup>	3820003-02	Sampling data has shown that the PFOS and PFOA levels in the source water for the Lake Marion Regional Water System are above the new EPA limits. A PFAS treatment study has been completed for this facility in order to evaluate known treatment options. The next step in determining the best treatment option is to conduct bench-scale testing to further evaluate the performance of Granular Activated Carbon (GAC) and Ion Exchange (IX) for removing PFAS from the source water.	3820003	\$ 151,000	\$ -	\$ 74,350	3,311	3,311	85
3	<b>Bennettville, City of</b> - Raw Water Pilot Study for PFAS Contamination <sup>2</sup>	3410001-05	The Raw Water Pilot Study will be conducted in multiple phases to ensure a comprehensive evaluation of PFAS contamination and treatment options. The first phase will involve an extensive data collection effort, where raw water samples will be taken from the raw water intake point at Lake Paul Wallace and analyzed for various PFAS compounds, including PFOA, PFOS, GenX, and other emerging contaminants. Additionally, other water quality parameters such as pH, turbidity, and organic matter content will be assessed to determine their impact.	3410001	\$ 325,000	\$ -	\$ 325,000	6,540	6,540	85
4	<b>Newberry County Water and Sewer Authority</b> - Lake Murray WTP PFAS Removal Facilities Study and Design <sup>2</sup>	3620002-04	This is an engineering planning and design project for the Lake Murray WTP PFAS Removal Facilities to add granular activated carbon (GAC) to NCWSA's existing WTP following filtration to remove PFAS contaminants regulated under the Environmental Protection Agency's (EPA) recently enacted PFAS Regulation. The new facilities will include two GAC trains (for redundancy and peak day flows) of two GAC pressure vessels per train. In addition to engineering design of PFAS Removal Facilities, a GAC pilot-scale study will be conducted as a product selection tool for the type of GAC media to be used for treatment.	3620002	\$ 1,200,000	\$ -	\$ 1,200,000	9,941	9,941	85
5	<b>Saluda County Water &amp; Sewer Authority</b> - Water Treatment Plant Evaluation Study for EC <sup>2</sup>	4120001-05	The scope of this project is to retain the services of an Engineering Consultant to perform an evaluation of the SCWSA Water Treatment Plant's ability and method to treat emerging contaminants. In particular, we will be determining the improvements that will be necessary to treat PFAS & PFOA. SCWSA and UCMR 5 sampling data shows PFAS & PFOA levels in the water source for SCWSA WTP above the EPA's MCLs for PFAS & PFOA in the National Primary Drinking Water Regulations. Additional treatment process will be required at the Water Treatment Plant to remove PFAS & PFOA to the levels proposed in the MCL. This project will include preliminary analysis, testing, process evaluations, engineering reports, and others studies required to determine the best course of action to meet the required levels.	4120001	\$ 350,000	\$ -	\$ 350,000	5,850	5,850	85



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DWSRF Emerging Contaminants SFY 2026 Provisional Priority List<sup>1</sup>

Rank	Sponsor and Project Name <sup>2</sup>	SRF Project Number	Project Description	SC Water System ID Number	Estimated Total Project Cost	Estimated SRF Loan Amount	Estimated Principal Forgiveness Assistance <sup>3</sup>	Sponsor's Service Population	Population Affected by Project	Total Points
6	<b>Columbia, City of - Columbia Water -</b> Evaluation of Advanced Technologies for PFAS Removal <sup>2</sup>	4010001-01	As part of ongoing, preliminary bench-scale studies conducted at both plants (Phase I), this project focuses on further bench-scale evaluation by Rapid Small-Scale Column Tests (RSSCTs) for Lake Murray water treatment plant and pilot-scale testing for Reverse Osmosis and Granular Activated Carbon treatment technologies at both water treatment plants.	4010001	\$ 1,713,369	\$ -	\$ 1,713,369	400,000	400,000	80
7	<b>Georgetown County Water and Sewer District - Waccamaw Neck WTP Advance</b> Treatment Study and PER for PFAS Removal <sup>2</sup>	2220010-02	Waccamaw Neck WTP is planning a best available treatment technology to meet the recently-released USEPA PFAS regulations. Our most current PFAS sampling results is trending downward. The proposed project will include an increase sampling plan and evaluation of the various treatment options to meet the current MCL limits for PFAS. PFAS capture technologies such as GAC, ion exchange resin, Nano-filtration, foam fractionation, and/or PFAS destruction methods will be evaluated and testing results will be analyzed to provide a basis of design for the full scale plant. The requirements of the proposed technologies will be studied with respect to effectiveness, infrastructure needs, costs, and compatibility with future PFAS treatment technologies. A bench-scale testing will be performed to determine the most suitable technology for PFAS removal at the Waccamaw Neck WTP. The bench-scale testing will also include analyses to evaluate the effectiveness of total organic carbon (TOC) reduction, need for pH adjustment, and alkalinity concentration. Based on the results of the study, a Preliminary Engineering Report (PER) for the PFAS treatment project will be developed.	2220010	\$ 700,000	\$ -	\$ 700,000	37,790	37,790	80
8	<b>Laurens County Water and Sewer Commission - Lake Greenwood WTF EC</b> Compliance Study <sup>2</sup>	3020001-06	An evaluation of treatment options for emerging contaminants, specifically PFAS, as well as an operational evaluation of the existing treatment plant. Bench-scale testing of powdered activated carbon (PAC) products for PFAS removal will be conducted. This testing will provide insight on the effectiveness of PAC for PFAS treatment. In addition, rapid small scale column tests (RSSCT) will be performed on one or more granular activated carbon (GAC) / ion exchange (IX) / alternative media options. This will provide information on the preferred option for post-filtration PFAS treatment.	3020001	\$ 287,000	\$ -	\$ 287,000	43,200	22,838	80
9	<b>Newberry, City of - PFAS Removal Pilot</b> Study and Design <sup>2</sup>	3610001-01	This project is an engineering planning and design project for PFAS removal at the City of Newberry's WTP. The PFAS treatment system will be designed to treat 8.1 MGD from the City's WTP. Planning activities include an evaluation of PFAS removal technologies to select up to three (3) suitable technologies for pilot testing (based on performance and expected operating costs), development and execution of pilot testing for the selected technologies, and preparation of a pilot test report documenting the tests and recommending an alternative for full-scale implementation. Design activities include preparation of a PER suitable for technical and funding agency approval and design and permitting of the recommended system in anticipation that separate construction funds will be secured by the City.	3610001	\$ 1,500,000	\$ -	\$ 1,500,000	16,023	16,023	80

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Rank	Sponsor and Project Name <sup>2</sup>	SRF Project Number	Project Description	SC Water System ID Number	Estimated Total Project Cost	Estimated SRF Loan Amount	Estimated Principal Forgiveness Assistance <sup>3</sup>	Sponsor's Service Population	Population Affected by Project	Total Points
10	Joint Municipal Water and Sewer Commission (JMWSC) - Lacy Springs/Cool Springs Contamination Area Water Mains (PFAS) <sup>2</sup>	3220003-08	The project will include the extension of approximately 4900 LF of ten-inch, 1300 LF of six-inch, 700 LF of four-inch water main and associated appurtenances to private well sewers with elevated ground water levels of PFAS. This project will provide the residents in the area with a reliable, safe drinking water source.	3220003	\$ 2,061,662	\$ -	\$ 2,061,662	50,000	108	60
Totals:					\$ 8,438,031	\$ -	\$ 8,361,381			
SFY 2026 Total of SRF Loan + Principal Forgiveness Amount <sup>4</sup> :							\$ 8,361,381			

**Footnotes**

- 1 Projects on the Provisional Project List are ranked based on priority for funding. However a loan offer is dependent on the financial capacity of the sponsor, which may not have been evaluated to date.
- 2 Equivalency Project. SCDES reserves the right to modify, as needed and when appropriate, which project(s) will serve as the equivalency project(s) for this grant.
- 3 As discussed in Section X.C. of this IUP, the minimum required Additional Subsidy is 100% of the capitalization grant (\$9,549,000) net of set-asides taken. SC uses Principal Forgiveness Assistance to satisfy the Additional Subsidy requirement. The total Estimated Principal Forgiveness Assistance is shown on the table above. Principal forgiveness funds are subject to change and are only available if the DWSRF Capitalization Grant referenced in this IUP is awarded by EPA & accepted by SCDES. Project listing is not a commitment of funding.
- 4 See available funds discussions in Section VIII.G. of this DWSRF IUP.

Note: The project funding needs identified in the PPL are equal to the amount of the FFY2025 DWSRF Emerging Contaminants capitalization grant.