

DRINKING WATER



D E S . S C . G O V / S R F

Federal FY 2026

DWSRF

Emerging Contaminants Grant

Intended Use Plan

For State FY 2027

FINAL

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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. Support for these efforts by the state SRF programs is reaffirmed through the May 2025 EPA memorandum [State Revolving Funds: Back to Basics, Back to Business](#), which highlights the important role of the SRF programs in providing a foundation for water infrastructure and supporting the [Powering the Great American Comeback Initiative](#).

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 the EPA 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) 2027 (July 1, 2026 through June 30, 2027) provided by federal funds allocated to South Carolina through the DWSRF Emerging Contaminants appropriations for FFY 2026. The funds will be used to support the objectives of the SDWA in the protection of public health. The allotment for South Carolina from the Emerging Contaminants appropriations for FFY 2026 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.

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.

II. Goals

South Carolina has identified several short- and long-term goals, designed to promote sustainable improvements to the drinking water infrastructure within the state 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 2027, the SC SRF will transfer \$2,178,000 from the FFY 2026 CWSRF Emerging Contaminants grant to the DWSRF Emerging Contaminants grant.

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 2027.

Final funding decisions for each project are contingent on a review of the technical and managerial capacity of the project sponsor, 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 2026 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. 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 "[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. 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 numeric score of the project. 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.

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 bypass procedures in Section VI.D., and the indicated readiness from the sponsor to proceed with a project during SFY 2027. Ready to proceed in SFY 2027 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. This may result in a need for a project sponsor to separate a project into multiple projects with each funding the completion of a specific phase of the greater project. For example, planning and design aspects may be funded as an initial project, with construction funding being applied for in a subsequent state fiscal year as a separate project.

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.

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, funds are available, and the additional amount is approved by SCDES.

The SRF Program may advertise the availability of remaining uncommitted funds throughout the state fiscal year beyond the annual call for projects period typically held during the first quarter of each calendar year. Any potentially eligible project sponsor will be encouraged to submit a PQ for an eligible project to facilitate the commitment and timely use of the remaining funds. Projects selected for funding will be added to the PPL through an amendment to this IUP.

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 the EPA 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 the useful life of the project 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

The FFY 2026 DWSRF Emerging Contaminants Capitalization Grant allotment for South Carolina 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 to 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 2026 DWSRF Emerging Contaminants capitalization grant for administration of the DWSRF Emerging Contaminants program. In addition, the state plans to take \$87,120 or approximately 4.0%, of the transferred FFY 2026 CWSRF Emerging Contaminants Capitalization Grant for administration of the DWSRF Emerging Contaminants program. Once the transfer has been completed, a combined admin amount of \$469,080, or approximately 4.0%, will be available 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 2027, the State does not plan to take this set-aside from the FFY 2026 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 2027, the State does not plan to take this set-aside from the FFY 2026 DWSRF Emerging Contaminants Capitalization grant.

F. Set-Aside for Assistance to State 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 2027, the State does not plan to take this set-aside from the FFY 2026 DWSRF Emerging Contaminants Capitalization grant.

G. Estimated Funds Available — State Fiscal Year (SFY) 2027

FFY 2026 DWSRF Emerging Contaminants Capitalization Grant	\$9,549,000
State Match for FFY 2026 DWSRF Emerging Contaminants Capitalization Grant	\$0
Estimated Amount of Funds to be Transferred from the FFY 2026 CWSRF Emerging Contaminants Capitalization Grant	\$2,178,000
Set-Aside for Administration of the DWSRF Program	-\$381,960
Administrative Funds Transferred from the FFY 2026 CWSRF Emerging Contaminants Capitalization Grant	-\$87,120
Set-Aside for Technical Assistance for Small Systems	-\$0
Set-Aside for Local Assistance and Other State Programs	-\$0
Set-Aside for Assistance to State Programs	-\$0
Estimated Total Funds Available for SFY 2027 DWSRF Emerging Contaminants Projects	\$ 11,257,920

Note: The project funding needs identified in the PPL are equal to the amount identified in the table above for the FFY 2026 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. 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. Additional Subsidies

The FFY 2026 DWSRF Emerging Contaminants appropriations require that 100% of the capitalization grant (\$9,549,000) plus all transferred amounts (\$2,178,000), 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 disadvantaged community criteria or to public water systems serving fewer than 25,000 persons. The criteria for disadvantaged communities in South Carolina 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. Systems that ask to be considered for principal forgiveness funds must not be delinquent on the submission of annual financial audits. Counties and municipalities must submit an audit annually to the Office of the State Treasurer, while special purpose districts submit an annual audit to the county or counties in which they reside, each as required by SC state law. RIA staff conduct a thorough financial review of each system sponsor to determine if they can afford an SRF loan.

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 2026 DWSRF Emerging Contaminants Capitalization Grant and it is accepted by SCDES. Project listing is not a commitment of funding.

C. 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.

D. Annual Report and Annual Review

An annual report (deliverable) will be submitted by September 30, 2026, that will quantify the results and present the milestones of the capitalization grants awarded for FFY 2024.

DWSRF participated in the 2025 EPA Annual Review held December 10 - 11, 2025. DWSRF anticipates receiving and responding to the EPA Program Evaluation Report (PER) for FFY 2025 funding in SFY 2026 during and following the Annual Review / PER.

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 2026 DWSRF Emerging Contaminants IUP are available from the SCDES SRF Reports and Publications web page at 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.

The Draft FFY 2026 DWSRF Emerging Contaminants Capitalization Grant IUP was posted to the SCDES website on May 27, 2026. Notice of the draft IUP was emailed to SRF contacts, Rural Infrastructure Authority contacts, SCDES 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 25, 2026. No comments were received.

DWSRF Emerging Contaminants SFY 2027 Provisional Priority List¹

Rank	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	Charleston Water - Hanahan WTP Phase 1 Improvements PAC Storage and Feed System ²	1010001-10	CWS recently completed bench-scale and full-scale testing of powdered activated carbon (PAC) to identify improvements necessary for PFAS treatment as part of the Charleston Water System PFAS Study. Based on the study findings, CWS plans to move forward with the initial Phase 1 improvements, including detailed design of a properly sized PAC Storage and Feed Facility to ensure compliance with finalized USEPA National Primary Drinking Water Regulation (NPDWR) as well as SCDES SPDWR requirements for surface water treatment facility design. The project will include detailed design services for a new PAC system with four (4) silos and eight (8) feeders, providing a minimum of thirty (30) days of PAC storage under average flow and design dose conditions and sufficient metering capacity to meet HWTWP design flows.	1010001	\$ 1,500,000	\$ -	\$ 1,500,000	450,000	450,000	90
2	Georgetown, City of - WTP Emerging Contaminants Study ²	2210001-04	A PER will be developed to evaluate and compare PFAS treatment technologies using representative source water under controlled conditions. The raw water PFAS compound distribution, TOC, and other parameters that influence treatment performance will be determined followed by bench-scale and pilot-scale testing to simulate full-scale operation of candidate media such as granular activated carbon or ion exchange. Test results are used to assess PFAS removal efficiency, breakthrough behavior, and sensitivity to competing constituents. Findings from the bench/pilot testing will be documented in a PER which summarizes quality conditions, testing methods, analytical results, and a comparative evaluation of treatment alternatives, including life-cycle cost, operational considerations, and residual management. The PER will provide a defensible technical basis for selecting a recommended treatment approach and define next steps.	2210001	\$ 737,550	\$ -	\$ 737,550	9,092	9,092	90
3	Greenwood Commissioners of Public Works - W.R. Wise WTP Final Design Docs for PFAS Treatment ²	2410001-11	This project will include final design, construction document (plans & specifications) preparation, and permitting for the water plant improvements necessary to meet the new EPA regulations on PFAS removal. It will build on the findings of the Treatment Evaluation Study for Emerging Contaminants and the Preliminary Engineering Report, which evaluated the various alternatives to meet these new regulations.	2410001	\$ 6,000,000	\$ -	\$ 1,600,000	60,000	60,000	90
4	Grand Strand Water and Sewer Authority - Myrtle Beach WTP PFAS Upgrades (Planning & Design) ²	2620004-35	The project scope is for planning and design engineering costs, including CMAR pre-construction costs, for PFAS upgrades at the existing Myrtle Beach WTP to comply with the final PFAS National Primary Drinking Water Regulation (NPDWR).	2620004 2620009	\$ 1,924,980	\$ -	\$ 424,980	400,000	400,000	90
5	Laurens County Water and Sewer Commission - Lake Greenwood WTP EC Pilot Testing ²	3020001-07	The project will include a study of emerging contaminants treatment alternatives, including: granular activated carbon pilot, foam fractionation pilot, and emerging contaminants treatment alternatives pilot study report.	3020001	\$ 1,600,000	\$ -	\$ 800,000	43,200	22,838	90
6	Woodruff Roebuck Water District - PFAS Treatment Alternatives Pilot Study ²	4220007-04	The scope this project includes a pilot study evaluation of various treatment technologies to assess their ability to meet the current regulatory requirements for PFAS at WRWD. Technologies under consideration include reverse osmosis, granular activated carbon, anion exchange, Fluorosorb, powdered activated carbon, and foam fractionation. The purpose of this PFAS treatment alternatives study is to evaluate performance and conceptually size potential advanced water treatment technologies to remove PFAS compounds and comply with MCLs as well as evaluate impacts to current WTP operations and water quality.	4220007	\$ 2,029,000	\$ -	\$ 1,204,000	30,000	30,000	90

DWSRF Emerging Contaminants SFY 2027 Provisional Priority List¹

Rank	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
7	Grand Strand Water and Sewer Authority - Bull Creek WTP PFAS Upgrades (Planning & Design) ^{2, 5}	2620004-37	The project scope is for planning and design engineering costs, including CMAR pre-construction costs, for PFAS upgrades at the existing Bull Creek WTP to comply with the final PFAS National Primary Drinking Water Regulation (NPDWR).	2620004	\$ 7,280,020	\$ -	\$ 2,423,649	400,000	400,000	90
8	North Augusta, City of - Pineview Waterline Extension ²	0210003-03	The Pineview Water Line Extension will provide residents with PFAS contaminated private wells access to safe and reliable public drinking water. The project will consist of approximately 5,370 linear feet of new 8-inch and 6-inch water main, including the installation of fire hydrants and necessary road crossings. This water system extension will provide municipal drinking water to 31 residential properties located in Pineview Estates.	0210003	\$ 799,968	\$ -	\$ 799,968	26,125	93	90
9	Chesterfield County Rural Water Co Inc - Country Village Mobile Home Park Project ²	1320003-01	This project is intended to provide public county water to a mobile home park on State Road (S-13-413) in Cheraw. It includes the extension and subsequent looping of an existing 6" main line that currently terminates just east of the mobile home park and connecting it to an existing main line on Hwy 9. It also encompasses the construction of a new water system in the Country Village Mobile Home Park (including new 6" mains, fire hydrants, meters, tap fees, and customer connections) and connecting it to the Chesterfield County Rural Water system for supply.	1360008, 1320003	\$ 1,042,773	\$ -	\$ 1,042,773	30,600	100	90
10	Camden, City of - WTP Advanced Plant Treatment Study ²	2810001-06	The proposed project will include an evaluation of the various treatment options that are known to remove PFAS. This includes advanced treatment options such as Powdered Activated Carbon (PAC), Granular Activated Carbon (GAC), Anion Exchange (AIX), and Reverse Osmosis/Nanofiltration (RO/NF), at a minimum. The study will involve research and bench scale testing to determine the efficiency of PFAS removal for each treatment option.	2810001	\$ 725,000	\$ -	\$ 725,000	18,465	18,465	80
Totals:					\$ 23,639,291	\$ -	\$ 11,257,920			
SFY 2027 of SRF Loan + Principal Forgiveness Amount:					\$		11,257,920			

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.B. of this IUP, the minimum required Additional Subsidy is 100% of the capitalization grant (\$11,257,920) 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.
- 5 If SRF funds a separate planning and design project that is part of a CMAR, the SRF is under no obligation to fund the construction component.

Note: The project funding needs identified in the PPL are equal to the amount of the FFY 2026 DWSRF Emerging Contaminants capitalization grant.