

**Appendix D**  
**PRIORITY RATING SYSTEM for Drinking Water Projects**

<b>2023 PRIORITY RATING SYSTEM for Drinking Water Projects</b>			
<p><u>Instructions:</u> For each line item, <u>mark "X" to claim the points for that line item.</u> Be sure that your narrative includes justification for every line item claimed. At the end of each Category, provide the total points claimed for each program in the subtotal row for that category. Then add the subtotals from each category and enter the Total of Points for All Categories in the last line. Note that some categories have a maximum allowed points that may be less than the total of individual line items.</p>			
Line Item #	Category 1 – Project Purpose (Points will be awarded for <u>only one</u> Project Purpose)	Claimed Yes/No	Points
<b>1.A</b>	Project will consolidate a nonviable drinking water or wastewater utility		25
<b>1.B</b>	Project will resolve failed or failing infrastructure issues		22
<b>1.C</b>	Project will rehabilitate or replace infrastructure, including replacement by regionalization projects		12
1.C.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, <b>OR</b> lines, storage tanks, drinking water wells or intake structures to be rehabilitated or replaced are greater than 40 years old <b>OR</b> lead service lines		8
<b>1.D</b>	Project will expand infrastructure		2
1.D.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, <b>OR</b> lines, storage tanks, drinking water wells or intake structures to be rehabilitated or replaced are greater than 40 years old		8
<b>1.E</b>	Project will provide service to disadvantaged areas		20
<b>1.F – 1.I</b>	Reserved for other programs		
<b>1.J.1</b>	Sole purpose of the project is to address Emerging contaminants (Construction projects). 100% of the costs are associated with this purpose <b>OR</b>		20
<b>1.J.2</b>	At least 75% of the project is to address Emerging		15

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	contaminants (Construction projects) <b>OR</b>		
<b>1.J.3</b>	Sole purpose of the project is to evaluate alternatives to address emerging contaminants (may include pilot scale treatment study)		5
<b>Maximum points for Category 1 – Project Purpose</b>			25
<b>Subtotal claimed for Category 1 – Project Purpose</b>			
<b>Line Item #</b>	<b>Category 2 – Project Benefits</b>	<b>Claimed Yes/No</b>	<b>Points</b>
<b>2.A</b>	Reserved for other programs		
<b>2.B</b>	Project provides a specific public health benefit		
2.B.1	Project addresses dry wells or contamination of a drinking water source; or resolves managerial, technical & financial issues		20
2.B.2	Projects that eliminate lead service lines		10
<b>2.C</b>	Reserved for other programs		
<b>2.D</b>	Project addresses promulgated but not yet effective regulations		10
<b>2.E</b>	Project directly addresses enforcement documents		
2.E.1	Project directly addresses an EPA Administrative Order for a local government Applicant located in a Tier 1 county, or addresses an existing or pending SOC, or a DEQ Administrative Order, <b>OR</b>		5
2.E.2	Project directly resolves a Notice of Violation or Notice of Deficiency		3
<b>2.F</b>	Project includes system merger or regionalization		
2.F.1	Project includes system merger <b>OR</b>		10
2.F.2	Project includes system regionalization and/or system partnerships		5
<b>2.G</b>	Project addresses documented low pressure		10
<b>2.H</b>	Project addresses contamination		
2.H.1	Project addresses acute contamination of a water supply source <b>OR</b>		15

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2.H.2	Project addresses contamination of a water supply source other than acute <b>OR</b>		10
2.H.3	Project addresses any PFAS compounds exceeding 10 ppt or State-established regulatory standards or limits <b>OR</b>		5
2.H.4	Project addresses PFAS exceeding proposed MCL or Hazard Index		10
<b>2.I</b>	Project improves treated water quality by adding or upgrading a unit process		3
<b>2.J</b>	Water loss in system to be rehabilitated or replaced is 30% or greater		3
<b>2.K</b>	Project provides a public water system interconnection		
2.K.1	Project creates a new interconnection between systems not previously interconnected <b>OR</b>		10
2.K.2	Project creates an additional or larger interconnection between two systems already interconnected which allows one system's public health water needs to be met during an emergency <b>OR</b>		10
2.K.3	Project creates any other type of interconnection between systems		5
<b>2.L – 2.M</b>	Reserved for other programs		
<b>2.N</b>	Project provides resiliency for critical system functions		
2.N.1	Project relocates infrastructure from inside the 100-year floodplain to outside the 500-year floodplain <b>OR</b>		8
2.N.2	Project relocates infrastructure from inside the 100-year floodplain to outside the 100-year floodplain <b>OR</b>		5
2.N.3	Project relocates infrastructure from between the 100-year and 500-year floodplains to outside a 500-year floodplain <b>OR</b>		3
2.N.4	Project fortifies or elevates infrastructure within floodplain, <b>OR</b>		4

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2.N.5	Project improves ability to assure continued operation during flood events <b>OR</b>		4
2.N.6	Project downsizes infrastructure related to buyouts <b>OR</b>		4
2.N.7	Project provides redundancy/resiliency for critical treatment and/or transmission/distribution system functions including cybersecurity and/or backup electrical power source		3
<b>2.O – 2.S</b>	Reserved for other programs		
<b>Maximum points for Category 2 – Project Benefits</b>			35
<b>Subtotal claimed for Category 2 – Project Benefits</b>			
<b>Line Item #</b>	<b>Category 3 – System Management</b>	<b>Claimed Yes/No</b>	<b>Points</b>
<b>3.A</b>	Capital Planning Activities		
3.A.1	Applicant has implemented an Asset Management Plan as of the date of application <b>OR</b>		10
3.A.2	Applicant has a current Capital Improvement Plan (CIP) that spans at least 10 years and proposed project is included in the plan		2
<b>3.B</b>	System Operating Ratio is greater than or equal to 1.00 based on a current audit, or is less than 1.00 and unit cost is greater than 2.5% of MHI		5
<b>3.C</b>	Applicant has an approved Source Water Protection Plan and/or a Wellhead Protection Plan		5
<b>3.D</b>	Applicant has implemented a water loss reduction program		5
<b>3.E</b>	Applicant has implemented a water conservation incentive rate structure		3
<b>Maximum points for Category 3 – System Management</b>			15
<b>Subtotal claimed for Category 3 – System Management</b>			
<b>Line Item #</b>	<b>Category 4 – Affordability</b>	<b>Claimed Yes/No</b>	<b>Points</b>

<b>2023 PRIORITY RATING SYSTEM for Drinking Water Projects</b>			
<b>4.A</b>	Residential Connections		
4.A.1	Less than 10,000 residential connections <b>OR</b>		2
4.A.2	Less than 5,000 residential connections <b>OR</b>		4
4.A.3	Less than 1,000 residential connections		8
<b>4.B</b>	Current Monthly Combined Utility Rates at 5,000 Usage		
4.B.1	Greater than \$79 <b>OR</b>		4
4.B.2	Greater than \$90 <b>OR</b>		6
4.B.3	Greater than \$107 <b>OR</b>		8
4.B.4	Greater than \$129		10
<b>4.C</b>	Local Government Unit (LGU) Indicators		
4.C.1	3 out of 5 LGU indicators worse than state benchmark <b>OR</b>		3
4.C.2	4 out of 5 LGU indicators worse than state benchmark <b>OR</b>		5
4.C.3	5 out of 5 LGU indicators worse than state benchmark <b>OR</b>		7
4.C.4	Project benefits disadvantaged areas		5
<b>4.D – 4.G</b>	Reserved for other programs		
<b>Maximum points for Category 4 – Affordability</b>			25
<b>Subtotal claimed for Category 4 – Affordability</b>			
<b>Total of Points for All Categories</b>			