

Clean Water State Revolving Fund Intended Use Plan October 25, 2023

Clean Water Priority Ranking System

TDEC's CWSRF Loan Program uses a priority ranking system to develop the [Priority Ranking List](#) (PRL). The State's CW SRF Priority Ranking System rules, Tenn. Comp. R. & Regs. ("Rule") Chapter 0400-46-01, provides a clear, objective order of ranking wastewater infrastructure projects. The PRL focuses on projects aiming to achieve optimum water quality management consistent with the goals and requirements of the CWA and the Tennessee Water Quality Control Act. The rationale for funding projects in an order other than that shown on the PRL shall be in accordance with the rules for the Priority Ranking System, Chapter 0400-46-01-.03. Exceptions to the order of funding may be allowed under special circumstances. Such projects would include those where unexpected failures requiring immediate attention to protect public health occur.

Applicants seeking funding must complete and submit a [CWSRF Questionnaire](#) detailing a project description, explanation of project need, project location, cost estimate, and project start and completion dates to the CWSRF Loan Program. Projects eligible for CW SRF funding are described in the [EPA Eligibility Handbook](#). Projects are prioritized by those that address reducing risks to human health or those working to maintain or improve water quality. All proposed projects for planning, planning and design or are ready to proceed with construction will be assigned Project Criteria Points based on the project criteria established in Rule 0400-46-01-.02(2). Project Criteria Points will be assigned to individual wastewater facilities projects based on the following:

- Wastewater treatment plant (WWTP) discharges to a water-quality impaired stream segment will receive 100 Project Criteria Points in addition to any other applicable Project Criteria Points. WWTP projects with a compliance schedule in the NPDES permit requiring construction will receive 50 Project Criteria Points in addition to any other applicable Project Criteria Points;
- Wastewater collection system projects with a compliance schedule in the NPDES permit requiring construction will receive 50 Project Criteria Points in addition to any

Eligible Project Categories

- Construction of municipal wastewater facilities
- Control non-point source pollution
- Decentralized wastewater treatment systems
- Green infrastructure projects
- Water quality projects
- Stormwater management
- Water conservation, efficiency, and reuse
- Brownfields
- Consolidation
- Recycled water
- Asset management
- Capacity management

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other applicable Project Criteria Points;

- Nonpoint Source (NPS) pollution projects affecting a water-quality impaired stream segment will receive 100 Project Criteria Points. Other NPS pollution projects will receive 25 Project Criteria Points. NPS pollution projects may be directed toward protecting or improving the quality of groundwater, surface water, or wetlands. NPS pollution projects must be consistent with Tennessee's approved Nonpoint Source Management Program requirements and be included in the State's current EPA-approved Nonpoint Source Management Plan;
- Effluent-trading projects will receive 50 Project Criteria Points in addition to any other applicable Project Criteria Points;
- Combined Sewer Overflow (CSO) projects will receive 25 Project Criteria Points;
- Infiltration/Inflow (I/I) correction and major sewer rehabilitation projects will receive 25 Project Criteria Points. Construction of projects that will transport and treat I/I at the WWTP will receive 10 Project Criteria Points;
- Stormwater management projects affecting a water-quality impaired stream segment will receive 100 Project Criteria Points. Stormwater management projects with a compliance schedule in the NPDES permit requiring construction will receive 50 Project Criteria Points. All other stormwater management projects will receive 25 Project Criteria Points;
- Collection lines to be constructed to address an existing public health problem caused by failed septic systems will receive a minimum of 40 Project Criteria Points up to a maximum of 100 Project Criteria Points;
- Any wastewater project proposed for development or growth potential, i.e., projects not planned to address a water quality problem or a public health problem, will receive 5 Project Criteria Points. WWTPs that are required to serve new collectors as part of the approved facilities plan will receive the same Project Criteria Points as the collectors;
- Interceptors and pump stations will receive varying Project Criteria Points. Interceptors or pump stations that eliminate a WWTP discharge point included in an approved facilities plan will receive the same Project Criteria Points as the WWTP. Interceptors or pump stations proposed as part of an I/I elimination project will receive the same Project Criteria Points as the I/I elimination project. Interceptors or pump stations submitted as part of a collection system project will receive the same Project Criteria Points as the collection system project;

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- Planning/Design projects will receive Project Criteria Points based on the proposed project type;
- CWA Section 212 projects that are also associated with the construction of nonpoint source projects shall have an additional 20 Project Criteria Points;
- CWA Section 212 projects with zoning that demonstrates preservation of greenspace shall have an additional 15 Project Criteria Points;
- CWA Section 212 projects with zoning that demonstrates riparian buffer zones of at least 150 feet shall have an additional 10 Project Criteria Points;
- CWA Section 212 projects demonstrating an enforced buffer zone ordinance shall have an additional 5 Project Criteria Points;
- Refinancing projects will receive 1 Project Criteria Point; and
- In accordance with Tenn. Code Ann. § 6-58-109(b), all SRF projects within counties with an approved growth plan will receive 5 Project Criteria Points in addition to any other applicable Project Criteria Points.

The assigned Project Criteria Points are calculated to determine the Priority Point Value for applicable projects. The Project Criteria Points are summed to establish a proposed project's Priority Rank. Projects will be placed on the PRL in descending order by total priority points. Projects with the same priority points will be ranked in ascending order based on the community's Ability to Pay Index (ATPI) and population to assist smaller and less affluent communities. Projects not ready to proceed with construction will not be assigned priority points but will be included on the bottom half of the PRL. Projects requesting funds for ineligible activities will not be assigned priority points or included on the PRL.

List of Projects

In accordance with section 606(c)(1) of the CWA, 40 CFR § 35.3150, the CWSRF Loan Program has developed a list of projects to receive funding in the first year after the grant award and a comprehensive priority list of eligible projects for funding in future years (CWSRF will maintain past PRLs). The PRL includes community information, project description, total priority points, the ATPI, total project cost, funding source, associated wastewater facility information, anticipated FFY 2023 Base Capitalization Grant principal forgiveness, anticipated FFY 2023 BIL General Supplemental principal forgiveness, amount of GPR, anticipated construction start and end dates, and the EPA Needs Survey Category. The CWSRF PRL (Appendix) will denote CWSRF projects for which the total amount of assistance requested is at least equal to the amount of the FFY 2023 Base Allotment and BIL General Supplemental Capitalization Grants. In addition to the projects listed, the CWSRF Loan