will be accepted by no later than June 30, 2025. If an application has <u>not</u> met the conditions for application acceptance by this date, the PF for the project will be released and rolled forward to the SFY 2026 funding list. The municipality may then choose to close an SFY 2025 loan without PF when ready, or reapply for financial assistance for the project in a future fiscal year to compete again for PF.

For projects that were not allocated PF, the application acceptance deadline is the December 31 following the end of the SFY in which the application was submitted (for SFY 2025 this date would be December 31, 2025). Requirements that must be met in order for an application to be accepted and funding allocated, are detailed in s. 281.58(9m), Wis. Stats.

In the event of a disaster, as declared by the state or federal government, project priorities may be adjusted to ensure protection of public health and the environment.

XII. PROJECT PRIORITY SCORING

As established in s. NR 162.49 Wis. Adm. Code, projects are scored under one of three categories: sewage collection systems, wastewater treatment plants, or storm water projects. Scoring criteria for pilot projects has not been established.

Collection system projects are given three scores:

- project type,
- human health, and
- regionalization.

Wastewater treatment plant projects are given four scores:

- project type,
- human health,
- regionalization, and
- water quality.

Storm water projects are given three scores:

- project type,
- human health, and
- water quality.

Section NR 162.51, Wis. Adm. Code, describes the procedure for reevaluating the project priority score. For SFY 2025 projects, if the applicant objects to the department's determination of the priority score, applicants may request a reevaluation of the priority score within 30 days after the September 30th application deadline. Only new information that did not exist at the time of the original ITA/PERF submittal will be considered in a reevaluation request. In addition, if a new permit is issued between submittal of the ITA/PERF and the application, a reevaluation can be requested. If a project is being constructed for the purpose of meeting new limits contained in a compliance schedule, a reevaluation can be requested at the time of application submittal in order to incorporate the points applicable to those new limits. In this case, the new limits must take effect during the next permit term.

Section NR 162.49(5), Wis. Adm. Code, also states that "The department may add additional or modify existing scoring criteria in the annual intended use plan."

For SFY 2026, the DNR will not add the population score to the funding list as described in s. NR

162.49(4) Wis. Adm. Code. Instead, the DNR will add two percent of a municipality's score in Table 7 of Section X.A to the PERF score for each of the municipality's projects. For example, if a municipality scores 125 points in Table 7, 2.5 points will be added to the PERF score for each of the municipality's projects. By making this scoring change, the DNR anticipates that projects from communities meeting the affordability criteria will be prioritized. In the event of a tie on the funding list, the municipality with the smaller population will be ranked above the municipality with the larger population. If a tie still remains, the municipality with the smaller MHI figure will be ranked above the municipality with the larger MHI figure.

XIII. EMERGING CONTAMINANTS PROGRAM

The BIL includes a capitalization grant for emerging contaminants (\$5,749,000 in FFY 2023). Emerging contaminants (EC) are defined by the EPA as perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other emerging contaminants. The BIL requires that 100% of the Emerging Contaminants capitalization grant, net of any set-asides taken, be provided as additional subsidy. No set-asides will be taken from this grant. The entire grant will be used for principal forgiveness for emerging contaminants projects. The details on how that principal forgiveness will be allocated can be found in Section XIII.B.

EC PF will be integrated into the Regular CWFP since the PF funding for EC projects will not be sufficient to cover the anticipated needs. This will allow applicants to compete for general CWFP PF and the EC PF. Loan funding will come from the CWFP, not the EC capitalization grant.

General CWFP PF will not be provided to revenue-generating facilities other than POTWs and publicly owned sewage collection systems. Revenue generating facilities excluded from general CWFP PF are facilities such as airports and landfills. Stormwater lining projects and BMPs that are not located at an airport or landfill would be considered eligible for general CWFP PF. These projects will be evaluated on a case-by-case basis.

Based on the direction given by federal authorities and the limited available funds, the program will focus funding on projects related to PFAS contamination. DNR staff from the Environmental Loans program and Bureau of Water Quality worked together to develop this funding program.

Project Eligibility

Emerging contaminants are defined in detail in Attachment 1 — Appendix B of EPA's March 8, 2022 memo on implementation of the Clean Water Fund provisions of the Bipartisan Infrastructure Law. Water quality projects that will reduce/eliminate any detectable levels of any PFAS contaminant compound for which a surface water quality standard or recommended Wisconsin DHS groundwater standard exists would be considered eligible for funding through the BIL EC program. Specific project eligibility is described in Section XIII.C below.

A. Scoring for Emerging Contaminants Projects

A separate scoring system has been developed for ranking EC projects, and this ranking will be used for allocating EC PF. The points awarded for EC PF scoring will be based on the permittee's current effluent or biosolids concentrations relative to standards or recommended levels.

The methodology to determine BIL EC project priority score sums three components: PFAS concentrations in effluent, biosolids, or groundwater (for groundwater dewatering and sewer relining/rehabilitation projects) relative to standards or recommended levels + Financial Need + Project Type.