

Approved by U.S. EPA on November 24, 2010
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Maryland Department of the Environment

Integrated Project Priority System for Drinking Water Capital Projects

Overview:

This document outlines the criteria and procedures for prioritizing drinking water projects into a single list known as the “Project Priority List” (PPL) to provide funding through the Maryland Water Infrastructure Financing Administration (MWIFA), a unit formerly known as “Maryland Water Quality Financing Administration (MWQFA),” within Maryland Department of the Environment (MDE). Financial assistance programs administered by MWIFA to fund drinking water projects include the Drinking Water Revolving Loan Fund (DWSRF or DWRLF) as authorized in the Safe Drinking Water Act (SDWA) Amendments of 1996 (including funds that are authorized to flow through the DWSRF, such as the Bipartisan Infrastructure Law of November 2021), and the Water Supply Financial Assistance Program as enabled by Environment Article 9-420 to 9-426. Please go to [MWIFA's home page](#) for details about these programs.

The SDWA grants authority to states to provide DWSRF funding toward community water systems (CWS) and nonprofit noncommunity water systems, provided the system: 1) has the technical, managerial, and financial capability to ensure compliance with the requirements of SDWA and 2) is in compliance with any requirement of a national primary drinking water regulation or variance. Per 40 Code of Federal Regulations §35.3520 for DWSRF, systems in significant noncompliance may be funded, provided that:

- The purpose of the assistance is to address the cause of the significant noncompliance and will ensure that the systems return to compliance; or
- The purpose of the assistance is unrelated to the cause of the significant noncompliance and the systems are on enforcement schedules (for maximum contaminant level and treatment technique violations) or have compliance plans (for monitoring and reporting violations) to return to compliance.

In accordance with the SDWA, priority for use of these funds is based upon the degree of public health risk, compliance with the SDWA, affordability and sustainability criteria. Consistent with these priority criteria, the Maryland rating and ranking system is composed of the six sections described below. Projects will be prioritized based on points accrued in these categories. Each section is assigned a specified maximum number of points. Each applicable section will be scored. All items that apply in each section may receive points; however, the sum of all possible points awarded within each section cannot exceed the assigned maximum number of points. A maximum of 210 total points can be awarded to any project.

The following drinking water projects are not eligible for funding:

1. Projects that are not included in and consistent with the County Water and Sewerage Plan;
2. Projects that are not consistent¹ with Priority Funding Area (PFA) law or have not received a PFA exception;
3. Projects needed primarily for fire protection;
4. Projects needed primarily to serve future population growth. Projects must be sized only to accommodate a reasonable amount of population growth expected to occur over the useful life of the facility;
5. Projects for systems that lack adequate technical, managerial and financial capacity, unless the proposed projects will allow the system to develop adequate capacity;

¹ “Consistent” means that the entire project and the area it serves is located within a PFA.

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6. Projects for systems serving more than 10,000 people that lack (a) a Water Conservation Plan containing all elements outlined in the MDE guidance document and (b) a water audit for the previous year, unless the project is to reduce exposure to perfluoroalkyl and polyfluoroalkyl substances (PFAS) or emerging contaminants (ECs), to conduct a lead service line (LSL) inventory, and/or for LSL replacement(s) (LSLRs);
7. Projects for systems that lack a completed Capacity Management Plan, if applicable based on the elements outlined in the MDE guidance document, unless the project is to reduce exposure to PFAS or ECs, to conduct an LSL inventory, and/or for LSLRs.

Project Rating Procedure and Criteria:

MDE's Water Supply Program (WSP) and MWIFA will evaluate each project application using a "project score sheet." The procedure described below contains references to section numbers used on the score sheet. Projects will be rated and ranked on the PPL in descending order based on the total points awarded on the score sheet. A maximum of 210 points can be awarded to any project. In case of tied scores, projects will be ranked based on population served (smallest to largest). Supporting documentation must be provided.

Section I - Resolving Drinking Water Quality Problems (Maximum 45 pts. Points will be awarded based on the project's primary purpose and only in the subsection specific to that purpose (i.e., A, B, or C)

A. Project Purpose is Addresses PFAS/EC (Maximum 45 pts.)

Concentration

The following Concentration points will be awarded based on a single sample result under the MDE PFAS monitoring program:

Ten (10) points will be assigned to a project that addresses water sources in which the Perfluorooctanoic Acid (PFOA) concentration is above 4 ppt, based on EPA's proposed MCL, and/or;

Ten (10) points will be assigned to a project that addresses water sources in which the Perfluorooctanesulfonic Acid (PFOS) concentration is above 4 ppt, based on EPA's proposed MCL, and or;

Ten (10) points will be assigned to a project that addresses water sources in which the Hazard Index Value, as calculated by the formula below, is above 1 HI.

Hazard Index Value = $\text{GenX}/10 + \text{PFBS}/2000 + \text{PFNA}/10 + \text{PFHxS}/9$

where each compound is calculated in parts per trillion (ppt).

A project is eligible to receive up to a maximum of 30 points in this section.

Capacity

If points are awarded in the Concentration section above, additional points will be awarded in addition to the above points where:

The water source(s) supplies 100% of the system's drinking water (additional 15 pts.), or
The water source(s) supplies 50-100% of the system's drinking water (additional 10 pts.), or
The water source(s) supplies 25-50% of the system's drinking water (additional 7 pts.), or
The water source(s) supplies less than 25% of the system's drinking water (additional 4 pts.).

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If a community water system with detected PFAS levels will interconnect with another system with detected PFAS levels, points will be combined for both systems as part of the ranking, not to exceed the maximum of 45 points.

Population

An additional five (5) points will be assigned to projects awarded points in Section A that serve water systems with a population less than or equal to 10,000, subject to the maximum of 45 points in this section.

B. Project Purpose is LSL Inventory or LSLR(s)² (Maximum 45 pts.)

Thirty (30) points will be assigned to a service line inventory in which any portion of the water distribution system service lines were installed before March 30, 1989³.

(OR)

Twenty-five (25) points will be assigned to a project that replaces LSLs, in which any portion of the water distribution system service lines were installed before March 30, 1989 and the project does not include premise plumbing.

If the LSLs being replaced meet any of the following conditions, additional points will be awarded as shown (multiple categories earn multiple additional points):

- are known/confirmed LSLs (additional 10 pts.),
- are for non-profit non-transient non-community water system(s) that specifically serve children under 6 years of age and/or pregnant women (additional 5 pts.),
- had a lead action level exceedance in the past (additional 5 pts.).

(OR)

Thirty (30) points will be awarded to a project that replaces LSLs, including replacement of lead pipes in premise plumbing, in which any portion of the building was built before March 30, 1989. System must be a non-profit non-transient non-community water system and must own all of its premise plumbing to be eligible.

² To be eligible for replacement under the BIL DWSRF LSLR funding, service lines must be made of lead or galvanized pipe. To define a "lead service line" for the purpose of this appropriation, EPA will use an amended version of the Lead and Copper Rule Revisions' regulatory definition, which is, "...a service line made of lead, which connects the water main to the building inlet. A lead service line may be owned by the water system, owned by the property owner, or both. For the purposes of this subpart, a galvanized service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material. If the only lead piping serving the home or building is a lead gooseneck, pigtail, or connector, and it is not a galvanized service line that is considered an LSL the service line is not a lead service line." To be eligible under the BIL DWSRF General or the DWSRF base program funding, service lines may be made of any material. <https://www.epa.gov/dwsrf/frequent-questions-about-bil-state-revolving-funds#LSLR>

³ For public water systems that currently have corrosion control as part of their water treatment, water sampling for lead at taps within buildings for the purposes of identifying the materials of the service line will not be eligible for funding for LSL inventory projects.

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If the LSLs being replaced meet any of the following conditions, additional points will be awarded as shown (multiple categories earn multiple additional points):

- are known/confirmed LSLs (additional 10 pts.),
- specifically serve children under 6 years of age and/or pregnant women (additional 5 pts.),
- had a lead action level exceedance in the past (additional 5 pts.).

(AND)

An additional five (5) points will be assigned to projects awarded points in Section B that serve water systems with a population less than or equal to 10,000, subject to the maximum of 45 points in this section.

C. Project Purpose is Other than PFAS/EC or LSLs (Maximum 45 pts.)

Forty five (45) points will be assigned to a project which eliminates an acute water quality problem, other than specified above. As used here, an acute water quality problem is one which poses immediate and ongoing health hazards to water consumers. Examples include confirmed waterborne disease outbreaks as determined by the Maryland Department of Health and Mental Hygiene (DHMH), public health emergencies as determined by the MDE, E.coli/fecal coliform bacteria contamination, nitrate contamination, or high level of any contaminant which presents an immediate risk to health, or persistent violation of the treatment technique requirements of the Surface Water Treatment Rules for systems using surface water or systems using ground water that has been found to be under the direct influence of surface water (GWUDI).

Thirty (30) points will be assigned to a project which eliminates a chronic water quality problem, other than specified above. As used here, a chronic water quality problem is one which poses long-term health hazards to water consumers. Examples include persistent violation of a maximum contaminant level (MCL) at a concentration which does not present an immediate risk to health such as total coliform bacteria, volatile organic chemicals, synthetic organic chemicals, or lead and copper action level exceedances.

Ten (10) points will be assigned to a project which eliminates a persistent exceedance of secondary drinking water standards.

Ten (10) points will be assigned to a project which eliminates a potential water quality problem. As used here, a potential water quality problem is one which is likely to result in public health hazards, such as poor water quality that is not an MCL violation.

An additional five (5) points will be assigned to projects awarded points in Section C that serve water systems with a population less than or equal to 10,000, subject to the maximum of 45 points in this section.

Section II - Resolving Drinking Water Quantity Problems (Maximum 40 pts; select as many as apply)

Forty (40) points will be assigned to a project which resolves continuous (generally during all periods of operation) water shortages or pressure loss.

Thirty (30) points will be assigned to a project which resolves periodic (such as during seasonal high use) water shortage or pressure loss.

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Twenty (20) points will be assigned to a project which resolves occasional (occurring less frequently than a seasonal event) water shortage or pressure loss.

Twenty (20) points will be assigned to a project that provides for a needed water source redundancy.

Section III - Infrastructure Replacement/Improvement (Maximum 40 pts; select as many as apply)

Forty (40) points will be assigned to a project that provides for consolidation of two or more public water systems.

Thirty (30) points will be assigned to a project that provides for extension of water service to an unserved area with individual wells with documented severe water shortage or documented acute/chronic water quality problems unless the project is part of a consolidation (as described above).

Twenty (20) points will be assigned to a project that replaces/improves treatment facilities or source water-related structures.

Fifteen (15) points will be assigned to a project that replaces/improves deteriorating transmission/distribution water mains.

Fifteen (15) points will be assigned to a project that replaces/improves or adds pumping facilities.

Fifteen (15) points will be assigned for new/replacement of storage tanks.

Ten (10) points will be assigned to a project that replaces/improves system control or automation.

Ten (10) points will be assigned to a project that provides for redundancy of facility components not specified above, such as power supply.

Ten (10) points will be assigned to a project that provides for any other improvements not mentioned above that ensure compliance with the SDWA and will have a positive impact on the system's operation and reliability (e.g. monitoring/testing equipment; safety/security improvement; installation of metering devices; improvements related to meeting disinfection contact time (CT) requirements; necessary coating/painting of old storage tank interior; resolution of water quality problems resulting from "dead end" lines; treatment residuals management; any other necessary project element that is identified in the sanitary survey of the system and supported/recommended by MDE WSP staff).

Section IV - MDE Order/Directives (Maximum 30 pts; select only one)

Thirty (30) points will be assigned to a project that addresses an existing consent or administrative (i.e., legal) order or a U.S. Environmental Protection Agency (EPA) Enforcement Targeting Tool score of 11 or higher.

Twenty (20) points will be assigned to a project that addresses an MDE directive (e.g., corrective action notification letter) regarding significant sanitary deficiencies or an MDE notice of violation.

Ten (10) points will be assigned to a project that addresses any other directive-related issues not mentioned above such as MDE WSP staff communication with the system owner/operator regarding deficiencies of water system, particularly communication of the WSP staff involved in the sanitary survey of the water system.

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Section V - Water Conservation and Other Beneficial Practices (Maximum 15 pts; select as many as apply)

Ten (10) points will be assigned to a project that provides for the implementation of a Water Conservation Plan containing all elements outlined in the MDE guidance document, for small public water systems with a population of 10,000 people or fewer.

Ten (10) points will be assigned to a project that provides for water reuse.

Five (5) points will be assigned to a project that provides a water audit completion for the previous year for small public water systems with a population of 10,000 people or fewer.

Five (5) points will be assigned to a project that provides for leak detection studies.

Five (5) points will be assigned to a project that provides for cross-connection control.

Five (5) points will be assigned to a project that provides for any other beneficial practices not mentioned above, such as water saving devices, special water-related research/studies, or project that includes green practices.

Section VI - Affordability, Cost-Efficiency, and Sustainability Impact (Maximum 40 pts)

Affordability

Ten (10) points will be assigned if the current water user rate is greater than 1.25% of community median household income (MHI) or

Five (5) points will be assigned if the current water user rate is between 1.00% & 1.25% of the community MHI.

Cost-Efficiency

Ten (10) points will be assigned if the capital cost of the project per Equivalent Dwelling Unit (EDU) served by the project is less than or equal to \$15,000 or

Five (5) points will be assigned if the capital cost of the project per Equivalent Dwelling Unit (EDU) served by the project is greater than \$15,000 but less than or equal to \$35,000.

Sustainability

Five (5) points will be assigned to a project whose owner has (and submits) an accepted Asset Management Plan for the system.

Ten (10) points will be awarded to a project for which at least 50 percent of the project cost or project scope must serve, protect, or benefit an Environmental Justice or overburdened community as identified by a Final EJ Score Percentile (Distribution Across Maryland) of 75 or more using [MDE's Environmental Justice Tracking Tool](#).

Five (5) points will be assigned to a project that includes sustainable green elements (e.g., Leadership in Energy and Environmental Design (LEED) rating, WaterSense certified products, positive climate change impact), or will achieve energy/water reduction or source water protection.

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Public Participation:

A 30-day public comment period for draft Revision 4 IPPS began on October 16, 2023 and ended at midnight on November 14, 2023. Draft Revision 4 was emailed to MWIFA's contact list at the start of the comment period and posted for the full 30 days on [MWIFA's website](#).

Comments and questions on Draft Revision 4 IPPS were accepted via e-mail to mde.wqfa_announcement@maryland.gov. All comments received were included in a responsiveness summary, which was submitted along with the final document to the U.S. Environmental Protection Agency and to those who submitted comments.