DWSRF Funding Program

Emerging Contaminant (EC) Funding

Program Overview:

The Bipartisan Infrastructure Law (BIL) authorizes increased funding to states to address emerging contaminants in drinking water with a focus on perfluoroalkyl and polyfluoroalkyl substances (PFAS). With this funding, 100% of annual state appropriations must be awarded in the form of additional subsidy (i.e., principal forgiveness) to water systems for eligible projects.

Funding for this program is anticipated to be applied for annually through 2026 and is dependent on availability of two federal funding sources:

1) **BIL-Emerging Contaminant Funding (BIL-EC)**: Federal funding requirements under BIL-EC require that at least 25% of the funds be used to assist disadvantaged communities **or** public water systems serving fewer than 25,000 people.
2) **Emerging Contaminants in Small or Disadvantaged Communities Funding (EC-SDC)**: Federal funding requirements under EC-SDC require that funds be used to assist disadvantaged communities **or** public water systems with a population of less than 10,000 individuals that the Administrator determines does not have the capacity to incur debt sufficient to finance a project. In Oregon, water systems must be designated as disadvantaged to be eligible for EC-SDC funding for water infrastructure projects.

The following emerging contaminants are prioritized for this funding: perfluoroalkyl and polyfluoroalkyl substances (PFAS), manganese and cyanotoxins, with the priority focus on PFAS. Future funding may allow for additional emerging contaminants.

To be eligible for this funding program, public water systems must provide documentation to Oregon Drinking Water Services (OHA-DWS) confirming detection of the emerging contaminant identified in the submitted funding application.

Prospective applicants must submit a no-obligation application form to apply. Please visit Business Oregon's Safe Drinking Water Revolving Loan Fund Website for more information on submission and to download the application form.

For more information on emerging contaminants, including a list of accredited labs for PFAS analysis, visit OHA's Emerging Contaminants webpage.

Eligible Project Activities:

The following outlines current project eligibilities for Emerging Contaminant (EC) funding:

- For a project or activity to be eligible, the primary purpose must be to address a confirmed emerging contaminant in drinking water.

- Project activities or components must be DWSRF eligible and identified in the funding application as integral to addressing the emerging contaminant of concern. See the SDW Program Handbook Appendix A for more information and general examples of DWSRF eligible project costs.
- Public water systems must provide data to OHA Drinking Water Services confirming detection of an emerging contaminant to be eligible for BIL-EC funding. Future funding may allow for projects focused on prevention of an emerging contaminant.
- Eligible project activities include:
  - Planning & Design: Costs for planning and design and associated pre-project costs.
  - Pilot Testing: Infrastructure related to pilot testing for treatment alternatives.
  - Treatment: Construction of a new treatment facility or upgrade to an existing treatment facility.
  - Source: Development of a new source (i.e., new/replacement well or intake).
  - Consolidation: Interconnecting two or more water systems to address the contaminant of concern.
  - Public communication, engagement, and education to support a capital improvement project addressing the contaminant of concern.
  - Conducting initial, special (non-routine/non-compliance) testing to establish a baseline understanding of the contaminant of concern or operation of newly-used technology. Testing must be part of a feasibility study or the larger project addressing the contaminant of concern.
  - Research and investigations to identify the presence, source, or extent of emerging contaminant contamination in water systems or source water (non-routine monitoring or testing) to support a capital improvement project addressing the contaminant of concern.

  Other project activities may be eligible but only when clearly demonstrated that it is an integral part of the project for addressing the contaminant of concern.

Ineligible Activities:

- If EPA has promulgated a National Primary Drinking Water Regulation (NPDWR) for a contaminant, then a project whose primary purpose is to address that contaminant is not eligible for EC funding, except for PFAS. PFAS-focused projects will be eligible for funding regardless of whether a NPDWR has been established.
- Land acquisition as the sole focus of the project scope is not eligible for EC funding.
  - For land acquisition to be eligible, it must be part of a funding award that includes facility construction.
  - For “soft costs” related to land acquisition planning, such as land use feasibility analysis, legal work, and appraisals, these are allowed to be included with a design project.
- Funding for bottled water.
- Remediation of contaminated groundwater or underlying aquifers.
- Operations and maintenance costs.