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# New Hampshire Drinking Water and Groundwater Trust Fund

## Annual Report and Award Plan August 2023



### NEW HAMPSHIRE DRINKING WATER & GROUNDWATER TRUST FUND



*Prepared by:*  
*Department of Environmental Services*  
*for the Drinking Water and Groundwater Advisory Commission*



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## Abbreviations and Acronyms

Commission	Drinking Water and Groundwater Advisory Commission
CSAP	Consolidation Study Assistance Program
CPA	Construction Project Assistance Program
G&C	Governor and Executive Council
Trust Fund	Drinking Water and Groundwater Trust Fund
MHI	median household income
MtBE	methyl-tertiary butyl ether
RP	Responsible Party
NHDES	New Hampshire Department of Environmental Services
WAND	Water Assistance for Natural Disasters Program
Legislature	New Hampshire General Court

# Executive Summary

The intent of this report is to provide an annual review of the work and projects funded by the Drinking Water and Groundwater Trust Fund (Trust Fund) in the 2022 calendar year as required by RSA 485-F:4 and develop the spending plan for the 2023 funding year consistent with RSA 485F:4, IX. Pursuant to RSA 485-F:4, VI the New Hampshire Department of Environmental Services (NHDES) is required to provide an annual report to the Drinking Water and Groundwater Advisory Commission (Commission) on expenditures from the Trust Fund for the year, projects begun or completed during the previous year, and the balance in the Trust Fund. The Commission reviews the work and projects funded by the Trust Fund, consults with the NHDES regarding these activities, and provides advice and counsel at regular meetings relative to future work and project priorities. The Trust Fund 2023 Award Plan presents the target award allocation for grants and loans and establishes the goals for the upcoming funding year to support the long-term mission of the Commission.

## 1 Background and Purpose of the Trust Fund

### 1.1 Establishment of the Trust Fund

In 2013, the State of New Hampshire (State) went to trial against ExxonMobil Corporation as part of its 10-year lawsuit against refiners and suppliers of gasoline to seek compensation for damages associated with methyl-tertiary butyl ether (MtBE) contamination of groundwater and drinking water resources throughout the state. The State prevailed in a jury trial and was awarded \$236 million in damages. During the pendency of the appeals process, the New Hampshire General Court (Legislature) established the Drinking Water and Groundwater Trust Fund to receive these funds RSA 485-F, effective March 31, 2016). In June of 2016, after all appeals were exhausted, and verdict proceeds plus interest had been disbursed in accordance with state law, \$277 million was deposited into the Trust Fund with the mission to:

***“...provide for the protection, preservation, and enhancement of the drinking water and groundwater resources of the state” (RSA 485-F:1)***

As part of the establishment of the Trust Fund, the Legislature formed the Commission to consult with and advise NHDES relative to the proper administration and management of the Trust Fund. The Commission consists of nineteen members, including representatives of five State agencies, members of the House of Representatives and Senate, municipal officials, and members of the public. The Commission administers the Trust Fund through the MtBE Remediation Bureau of NHDES.

NHDES is responsible for administrative support to the Commission and manages the programs and projects outlined in RSA 485-F:3:

- *Investigating, managing, and remediating contaminated groundwater.*
- *Assisting local and regional entities in the development and administration of local wellhead protection programs, including delineation of wellhead protection areas and the inventory and management of activities which have a potential effect on groundwater quality.*
- *Maintaining a statewide map identifying the classes of groundwater.*
- *Measuring levels of contamination statewide and generating maps to show the areas of greatest contamination.*

- *Maintaining an inventory of wells serving public water supply systems, and to the extent practicable other wells, and establishing a priority list for delineation of systems that are currently contaminated with MTBE.*
- *Administering a competitive grant program for drinking water protection projects.*
- *Administering the revolving loan fund.*

## 1.2 Goals of the Advisory Commission

The long-term goals of the Commission as adopted October 5, 2017 are to:

- Protect public health and promote the completion of cost-effective projects.
- Manage the fund balance and longevity of the fund by awarding 20% or less of the corpus annually as a mix of grants and loans.
- Advance water infrastructure sustainability through the promotion of asset management and financial planning.
- Collaborate with other funding programs such as the Drinking Water State Revolving Loan Fund, Community Loan Fund, United States Department of Agriculture (USDA) Rural Development program, other USDA programs that protect drinking water, Community Development Block Grants through the US Department of Housing and Urban Development and Community Development Finance Authority, Northern Borders Regional Commission, or private investment to leverage funds to the greatest extent possible.
- Provide input on the expenditure of public funds for the purpose of directing investment toward improvements that maximize public benefits, maintain affordability, promote sustainability, and increase public water systems' technical, managerial, and financial capacity.

To achieve these long-term goals, the Commission developed a strategy for administering loans and grants to projects that ensure the continued availability of safe drinking water to New Hampshire citizens, while maximizing the return on investments to achieve sustainability of the Trust Fund. The Commission strategically awards grants, loans, and matching funds on a competitive basis to projects that will protect, preserve, and enhance drinking water and groundwater. The Commission uses established criteria to evaluate whether a project meets their long-term goals, including:

- Emergency remediation for contamination of drinking water or groundwater.
- Planning, design and building of aging infrastructure.
- Protects us against future contamination or impacted drinking water sources through measures including, but not limited to, the expansion of drinking water infrastructure or drinking water source protection.
- Assists local and regional entities in the development and administration of local wellhead protection programs, including delineation of wellhead protection areas and the inventory and management of activities which have a potential effect on groundwater quality.
- Cost-sharing grants to municipalities and water utilities for the design, construction, and extension of public water systems, and the establishment and expansion of wellhead protection areas.

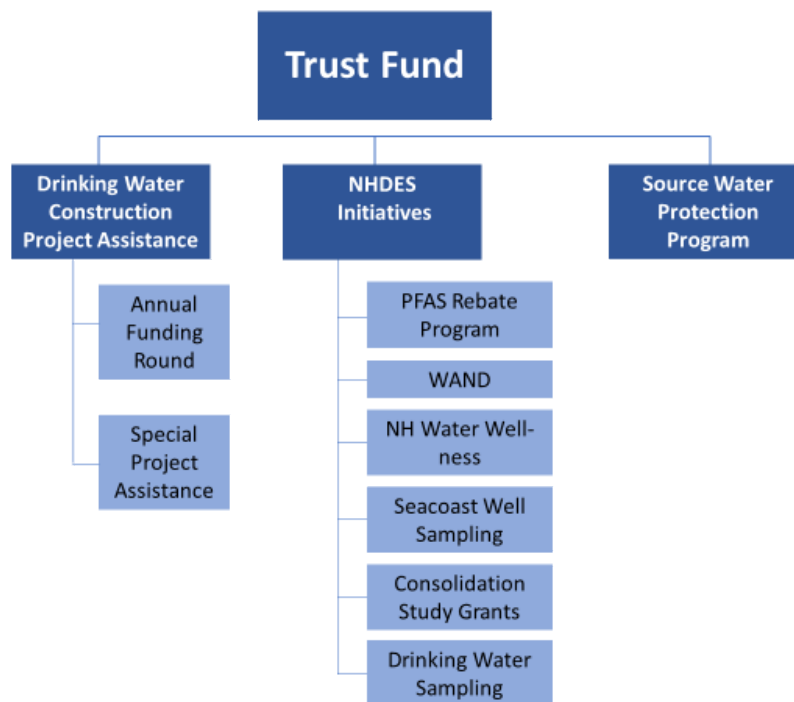
## 2 Operation of Trust Fund Programs

The Commission provides grants and loans through its core programs and NHDES' initiatives (Figure 1). The Commission adopted [Rules for Construction Projects](#) and [Rules for Source Water Protection Grants](#) to establish criteria for evaluating the merits of a proposed project for grants and loans. NHDES administers the grants and loans in accordance with RSA 485-F:3, II and [NH Code of Administrative Rules](#)

[Chapter Env-Dw 1300 – Administrative Procedures for Grants and Loans from the Drinking Water and Groundwater Trust Fund.](#) The Commission may also publish guidance to solicit for drinking water projects beneficial to New Hampshire based on current priorities and short-term goals, including:

- Effective program management to ensure the integrity of the Trust Fund.
- Use Trust Fund monies to address contamination and health risks as priorities.
- Fund administrative staff to achieve the goals and mission of the Trust Fund.
- Coordinate Trust Fund activities with NHDES activities.
- Provide eligible public and private water systems the financial assistance to complete eligible projects such as protection of water supplies, treatment of contaminated drinking water, or drinking water infrastructure improvements.

Figure 1. Organizational chart of current Trust Fund programs and ongoing NHDES Initiatives.



## 2.1 Drinking Water Construction Project Assistance Program

The construction loan and grant program provides funding to projects that build and enhance drinking water infrastructure, improve water quality, increase the viability or longevity of an existing drinking water system, and enable the State to meet present and future drinking water needs.

All applications submitted to the Construction Project Assistance Program must demonstrate project readiness, which is evaluated by NHDES based on submission of:

- 1) Authority to Submit a Funding Application.
- 2) Planning Document that includes: a description of the existing conditions, project need, basis of design, alternatives analysis, the recommended alternative, and an opinion of project cost.

**Annual Funding Round-** The Annual Drinking Water Construction Project Assistance Program provides loans and grants for infrastructure improvements to public drinking water systems. The Commission determines the annual funding allocations for each program in the spring of each year. Once the funding

availability, timeline, and priorities for the upcoming year are set by the Commission, NHDES announces a request for proposals through outreach with water systems, a workshop in collaboration with other funders, and NHDES' webpage. A delegated subcommittee will review the applications and evaluate the merits of the projects, based on:

- Result in the removal, reduction, or mitigation of contamination related to groundwater or drinking water.
- Readiness.
- Leverages the Trust Fund to the greatest extent possible by securing other available funding.
- Supports the water system's long-term Asset Management Program.
- Energy efficiency.
- Water efficiency.
- Enhances, acquires, or protects public drinking water sources.
- Long term viability.
- Geographic distribution of project awards.
- Degree of benefit for proposed distribution system extensions.
- Thoroughness of the application and project development.
- Innovation;
- Serves a community with a low Median Household Income or high Affordability Index.
- Other criteria the Commission considers to be appropriate and consistent with RSA 485-F.

Upon recommendations from the Subcommittee the Commission determines which eligible projects will receive funding. NHDES notifies recipients of their funding and works with the applicant to obtain necessary documentation and submission for Governor and Executive Council (G&C) approval. The Commission reserves the right to deny funding to any applicant that does not comply with the applicable Commission and NHDES rules.

**Special Project Assistance-** An applicant may apply as a Special Project to NHDES at any time if the project meets at least one of the criteria listed below. Projects will be reviewed and evaluated on a case-by-case basis and justification as why the project should be considered outside of the routine application schedule.

- **Projects Addresses Drinking Water Contamination:** The Commission considers addressing contamination above all else when evaluating a project;
- **Time Criticality:** The time-critical aspect makes it impractical for the project to be considered in the annual application review. Circumstances that may be considered time critical include, but are not limited to, imminent threats to public health, delays that would significantly impact project cost, or a project is tied to another project's schedule where completion is critical for efficiency or cost savings;
- **Financial Hardship:** An applicant may be able to demonstrate through its median household income (MHI) and affordability index that it cannot afford to incur additional debt. Applicants are encouraged to submit any information that supports the justification for financial hardship; and
- **Projects that Support Economic Growth:** Special consideration will be given to projects that create or expand drinking water systems which in turn expand the economic wellbeing of a community

NHDES reviews Special Project applications to determine project readiness and evaluate whether the project demonstrates one or more of the criteria for consideration outside of the annual round. NHDES

provides an opinion of whether the project meets the considerations and if the Commission deems the project eligible, then NHDES or the applicant presents to the Commission for a funding vote.

### ***Construction Projects and Drinking Water Contamination***

Drinking water contamination is the highest priority of the Trust Fund. Projects that address man-made contaminants with established drinking water or groundwater standards; emerging contaminants; or time-critical contamination issues associated with changing standards, human-caused or naturally occurring; will be reviewed as a priority by the Commission. Projects that address contamination of a public water supply may be applied for at any time through the Special Projects Assistance Program. While the Commission always strives to leverage the Trust Fund to the greatest extent possible, it recognizes the financial impact addressing contamination may have on a water system and considers this financial burden in their review of these projects.

### ***Construction Projects that Create and Expand Drinking Water Infrastructure***

New Hampshire citizens benefit from new drinking water infrastructure and the extension or interconnection of existing drinking water infrastructure to accommodate current users and future supply demands. Projects with regional significance that will expand an existing community water system or create a new community water system, to provide water to areas impacted by contamination or that lack a current supply, are a priority. The Commission recognizes the constraints to secure outside funding sources when such projects do not align with the mission of the other available funding sources and considers in their review of these types of projects. Stakeholder involvement early in project development is critical to understanding the financial constraints of implementing an infrastructure expansion or interconnection project. Partnerships between the water system and community early in project development supports stakeholder buy-in and the level of stakeholder involvement is considered by the Commission during its evaluation.

### ***Providing Outside Funding Sources***

While the Commission has not adopted a minimum match requirement for funding, the amount of external funds is a significant factor in funding decisions and projects that leverage the Trust Fund to the greatest extent possible are considered more favorably. The Commission will review whether an applicant has exhausted all outside sources, including:

- Funds provided by the applicant through bonding, capital reserve funds, or other loan programs;
- State or Federal funding sources such as the Drinking Water State Revolving Fund (DWSRF), the United States Department of Agriculture (USDA) Rural Development Program, Community Development Block Grants (CDBG), etc.;
- Private third-party contributions;
- Private developer or business contributions;
- In-kind contributions.

Funding applications need to clearly demonstrate the applicant's efforts to maximize outside funding. Grant requests should be the final component of the funding plan, after loan options have been pursued, and the applicant must provide justification why a grant is needed. Projects without external funding are generally awarded loans.



## 2.2 Source Water Protection Grant Program

The Source Water Protection (SWP) Grant Program provides grants for the permanent protection of lands that contribute source water to public drinking water systems. Eligible lands are identified in the recent release of the Geographical Information System (GIS) dataset created by NHDES titled “High Priority Water Supply Lands” and available online through the [NHDES OneStop Data Mapper](#), or a project may apply as a future public drinking water supply source. The SWP Program will fund up to 50% of total project costs, with a maximum grant award of \$500,000. Applicants who leverage as much outside funding as possible and demonstrate efforts to obtain matching funds are given higher priority for grants. Pre-applications are due to NHDES annually each spring and projects that are eligible may submit a full application in September. The Subcommittee evaluates projects based on these criteria:

- Total acres of of “High Priority Water Supply Lands” that will be permanently protected;
- Whether the project area has been identified in a land conservation plan as a high priority for conservation, specifically for water supply or water quality protection;
- Proximity to a water supply well or intake;
- Other surface waters that will benefit from the project such as frontage on rivers, streams, tributaries, lakes, ponds, and wetlands;
- Type of water system whose source is to be protected and the population served;
- Value of match and documented efforts to obtain outside funding;
- Project readiness;
- Land development pressure in the vicinity of the project-

## 2.3 NHDES Initiatives

NHDES may request funding for special projects consistent with its duties to administer the Trust Fund in accordance with RSA 485-F:3, I. To date, the Commission has approved eight NHDES Initiatives (Table 1) that continue to be managed, and updates are provided to the Commission at regular meetings.

*Table 1. NHDES Initiatives approved by the Commission since 2017.*

NHDES Initiative	Year Approved	Amount	Description	Status
Statewide Private Well Sampling	2017	\$500,000	Sampling program to evaluate water quality of private drinking water wells	Complete
Water Well-ness Program	2019	\$333,278	Pilot program to provide water testing and filter pitchers to low-income expectant mothers	Ongoing
Water Infrastructure Improvement for the Nation (WIIN) Grant Match	2020	\$343,636	Matching funds to an EPA “Assistance for Small and Disadvantaged Communities Drinking Water Grant” for water system improvements in Weare and Marlborough.	Complete
Low-Income Residential Drought Assistance Program	2021	\$450,000	Assistance for qualifying applicants who primary residential water well has been impacted by drought	Complete
Consolidation Study Assistance Program	2021	\$200,000	Planning grants for public water systems to identify and evaluate the feasibility and cost-effectiveness of connecting to a community water system	Ongoing
Water Assistance for Natural Disaster Impacts to Low-Income Residential Well Owners	2022	\$1,250,000	Financial assistance for qualifying low-income homeowners experiencing well problems due to extreme weather event or other natural hazard	Ongoing
PFAS Rebate Program	2022	\$5,000,000	Provide up to \$10,000 financial assistance for treatment of residential wells with PFAS above the maximum contaminant level	Ongoing
Seacoast Private Well Initiative	2022	\$289,767	Outreach and sampling program for residential private wells in 11 coastal communities	Ongoing

## 3 Trust Fund Expenditures

### 3.1 Spending History from 2017-2022

Since the establishment of the Trust Fund, the Commission has awarded a total of \$186.3 million in grants and loans for drinking water construction, source water protection projects, and NHDES Initiatives (Table 2). Of this, \$118.8 million (64%) was distributed as grants and \$67.5 million (36%) as loans across the three programs over the past six years. The most grant funds were awarded in 2019, because \$32.7 million was awarded under the Construction Project Assistance Program to the Towns of Salem and Derry, and the Hampstead Area Water Company and Manchester Water Works for the Southern NH Region Interconnection Project. It is important to note that in 2019, \$11.2 million of the total \$39.2 million was for the Merrimack Source Development Charge (MSDC), of which \$3.0 million has been paid back to date with the remaining balance expected to be repaid over the next several years.

*Table 2. Summary of Trust Fund grants and loans since 2017 by calendar year for all programs combined. The grants category includes Drinking Water Construction Project Assistance, Source Water Protection, and NHDES Initiatives. The amounts presented are the committed funds and may be at various stages of obligation and expenditure. Grant and loan amounts presented in millions of dollars. Totals listed do not include awards that were declined.*

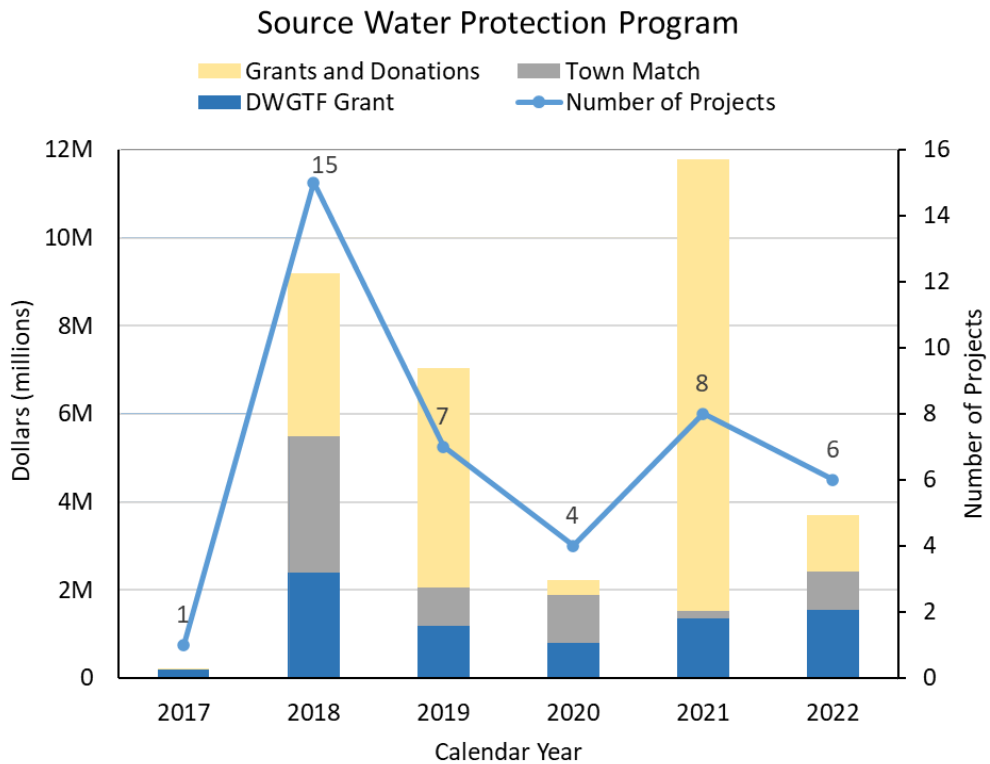
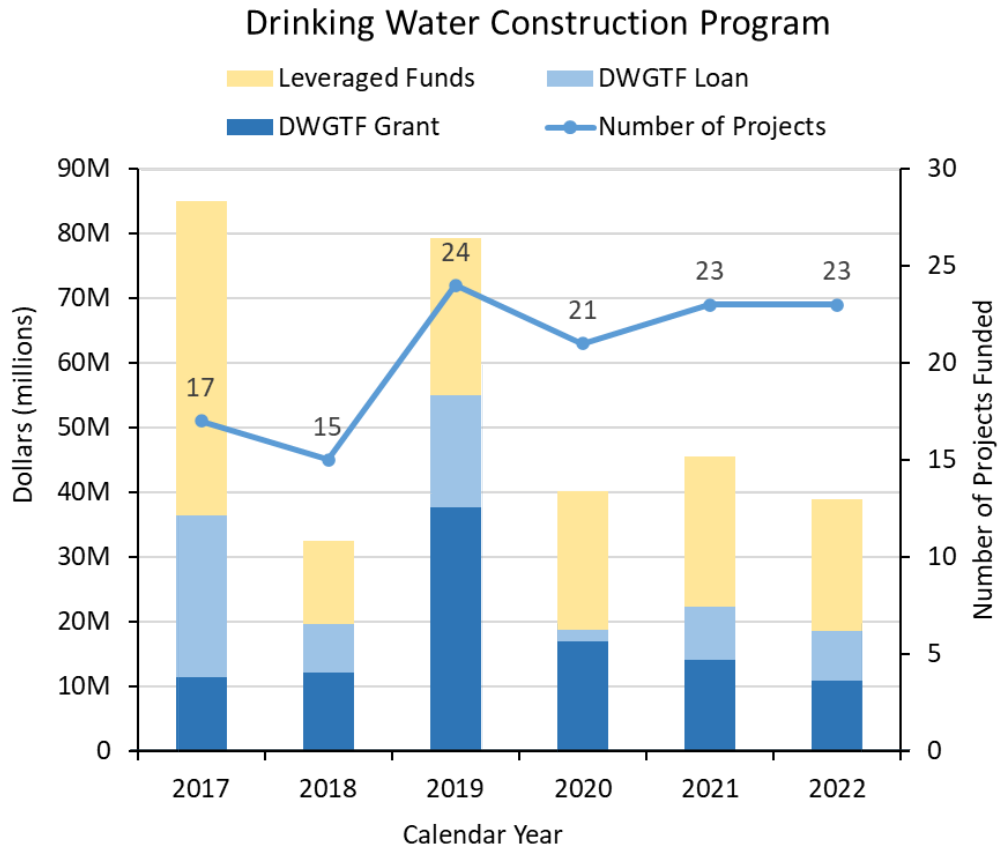
Calendar Year	Grants	Loan
2017	\$12.03	\$25.07
2018	\$14.44	\$7.64
2019	\$39.22	\$17.19
2020	\$18.04	\$1.76
2021	\$16.11	\$8.22
2022	\$18.99	\$7.63
<b>Total</b>	<b>\$118.83</b>	<b>\$67.50</b>
All funds for construction, source water protection, and DES Initiatives	<b>\$186.33</b>	

Table 3. Summary of Trust Fund grants and loans since 2017 by calendar year for each program. The amounts presented are the committed funds and may be at various stages of obligation and expenditure. Grant and loan amounts presented in millions of dollars. Totals listed do not include awards that were declined.

	Construction Project Assistance		Source Water Protection	NHDES Initiatives	Leveraged Funds
	Loans	Grants			
<b>2017</b>	\$25,066,500	\$11,330,000	\$200,000	\$500,000	\$48,547,300
<b>2018</b>	\$7,641,000	\$12,032,277	\$2,404,487	\$0	\$19,528,903
<b>2019</b>	\$17,194,315	\$37,717,017	\$1,172,910	\$333,278	\$30,315,129
<b>2020</b>	\$1,756,250	\$16,899,350	\$799,730	\$343,636	\$22,865,179
<b>2021</b>	\$8,215,123	\$14,106,945	\$1,354,967	\$650,000	\$33,683,346
<b>2022</b>	\$7,627,361	\$10,900,700	\$1,544,552	\$6,539,767	\$22,527,310
<b>Totals</b>	<b>\$67,500,549</b>	<b>\$102,986,289</b>	<b>\$7,476,646</b>	<b>\$8,366,681</b>	<b>\$177,467,167</b>
<b>Total all Grants</b>		<b>\$118,829,615</b>			<b>NA</b>

Since 2017, the Construction Project Assistance Program has awarded \$103.0 million in grants and \$67.5 million in loans to a total of 111 drinking water infrastructure projects for general infrastructure upgrades, interconnecting small systems with municipal water, watermain replacements, and treatment systems for emerging contaminants (Table 3). The Source Water Protection Program has awarded \$7.5 million to 40 projects. The Commission has awarded \$8.4 million for eight NHDES Initiatives (Table 1). The Trust Fund has leveraged significant outside funding sources from federal and state programs, as well as stakeholder investments; totaling \$177.5 million for Drinking Water Construction Projects and Source Water Protection projects (Figure 2).

Figure 2. Summary of Trust Fund grants and loans since 2017 by calendar year from the Drinking Water Construction Project Assistance Program (top) and the Source Water Protection Program (bottom). The amounts presented are the committed funds and may be at various stages of obligation and expenditure. Grant and loan amounts presented in millions of dollars.



## 3.2 2022 Spending Summary

In May 2022 the Commission voted to allocate \$26,337, 227, which was 20% of the Trust Fund balance of \$131,686,134 as of December 31, 2021, to be available for funding through the Construction Project Assistance Program, Source Water Protection Grant Program, and NHDES Initiatives (Table 4). The total grant and loan awards approved by the Commission for the 2022 calendar year was \$26,612,380, which was \$275,153 over the allocation. It is important to note that the Commission approved \$5.0 million for the PFAS Rebate Program as a DES Initiative, which accounts for the overage in the grant amount in that category. The projects awarded funding in 2022 leveraged approximately \$22.3 million from non-DWGTF funding sources.

*Table 4. Funds allocated from the Trust Fund corpus for 2022 and awards authorized by the Commission. All amounts are in millions of dollars.*

	Construction Project Assistance		Source Water Protection	NHDES Initiatives	Total
	Grants	Loans	Grants	Grants	
<b>Allocated</b>	\$13,200,000	\$10,500,000	\$2,000,000	\$630,000	\$26,330,000
<b>Awarded</b>	\$10,900,700	\$7,627,361	\$1,544,552	\$6,539,797	\$26,612,380
<b>Difference (Percent allocation awarded)</b>	\$2,299,300 (83%)	2,872,639 (73%)	\$455,448 (77%)	(\$5,909,797) (>100%)	\$282,380. (99%)

## 4. Annual Program Updates and Projects Funded in 2022

### 4.1 Drinking Water Construction Project Assistance Program

**Annual Funding Round-** The 2022 Annual Funding Round for DWGTF grants and loans was promoted on the DWGTF webpage, and several outreach sessions were held to solicit requests for proposals in spring 2022. NHDES received 34 applications that had projects from 29 different towns that included projects to development a new source and water supply; address contamination; and distribution system upgrades. The Construction Project Subcommittee reviewed the applications according to the evaluation criteria and made recommendations to fund 17 projects and defer another three projects to reapply through the Special Project Assistance program with more information. Final approval by the Commission was voted on November 14, 2022 for the projects listed in Table 5.

Table 5. Projects approved by the Commission in 2022 for Drinking Water Construction Project Assistance during the Annual Round and projects recommended for the Special Project Assistance Program.

Projects Funded				
Applicant	Location	Project Name	Loan	Grant
Antrim Water and Sewer District	Antrim	Water system improvements cost increases	\$423,800	\$176,200
Base Hill Cooperative	Keene	Water system improvements	\$43,671	\$1,000,000
City of Claremont	Claremont	Water main replacements	\$0	\$1,168,000
Emerald Lake Village District	Hillsborough	Hummingbird well arsenic treatment	\$0	\$175,000
Fitzwilliam Village District	Fitzwilliam	Water system source and distribution replacement	\$1,400,000	\$420,000
Glenclyff Improvement Company	Glenclyff	Water system improvements	\$0	\$650,000
Greystone Commons	Lee	New well house and distribution	\$0	\$200,000
Jaffrey Water Works	Jaffrey	Wheeler neighborhood watermain replacement	\$0	\$250,000
Newport Water Works	Newport	North Newport well development	\$572,800	\$889,200
Plymouth Village Water and Sewer District	Plymouth	Reservoir Road water main	\$446,000	\$223,000
Raymond Water Department	Raymond	Water storage tank replacement	\$2,625,000	\$875,000
Rebecca lane Water System	Conway	New pump house and storage	\$337,500	\$112,500
Riversbend Association	Bartlett	Water distribution system	\$168,000	\$42,000
Rollinsford Water and Sewer District	Rollinsford	Front and Main Street watermain replacement	\$0	\$600,000
Stone Gate Acres Association	Hebron	Manganese abatement and system improvements	\$0	\$60,000
Stony Brook Cooperative	Rochester	Water system interconnection	\$0	\$740,000
Winchester Water Department	Winchester	Storage tank, watermain, and booster pump station	\$100,00	\$100,000
<b>Total Funding Awarded</b>			<b>\$5,696,861</b>	<b>\$7,680,900</b>
Projects Recommended to the Special Projects Assistance Program				
Old Country Village	Londonderry	Interconnection and new distribution system	\$0	\$650,000
Tilton and Northfield Water District	Tilton	Iron and manganese removal treatment plant	\$0	\$975,000
Winchester Water Department	Winchester	Storage tank, watermain, and booster station	\$0	\$100,000

**Special Project Assistance-** In 2022, seven funding applications were reviewed in the Special Projects Assistance Program (Table 6). These projects generally addressed contaminated drinking water supplies and time critical water system improvements. The Commission approved funding for all seven projects, totaling \$3.2 million in grants and \$2.0 million in loans.

*Table 6. Projects approved by the Commission in calendar year 2022 for Drinking Water Construction Projects Assistance as Special Project.*

<b>Projects Funded</b>				
<b>Applicant</b>	<b>Location</b>	<b>Project Name</b>	<b>Loan</b>	<b>Grant</b>
Pennichuck East Utility	Windham	W&E System for Southern New Hampshire Region Interconnection	\$493,500	\$211,500
Plymouth Village District Water and Sewer	Plymouth	Highland Street water main replacement	\$1,000,000	\$200,000
Cities of Dover and Portsmouth	Dover and Portsmouth	Emergency interconnection (design only project)	\$0	\$223,000
Rye Water District	Rye	Wallis Road watermain replacement	\$537,000	\$0
Rollinsford Water and Sewer District	Rollinsford	Locust and Prospect Street watermain replacement	\$0	\$302,400
Town of Peterborough	Peterborough	Cold Stone Springs water supply treatment	\$0	\$2,182,900
Winchester Water Department	Winchester	Storage tank, watermain ,and booster station	\$0	\$100,000
<b>Total Funding for Special Projects</b>			<b>\$2,030,500</b>	<b>\$3,219,800</b>



## 4.2 Source Water Protection Grant Program

The Advisory Commission approved to allocate \$2.0 million for the Source Water Protection program for the 2022 grant round. The program received the strongest interest since 2018 and NHDES received nine pre-applications, with a total preliminary grant request of \$3.4 million. Three projects withdrew from submitting a final application due to project readiness but have informed NHDES they intend to reapply in 2023.

NHDES received six final applications in September, 2022 with a total grant request of \$1.5 million to conserve 365 acres of source water lands to seven public drinking water suppliers. The Subcommittee reviewed the projects using the evaluation criteria and made funding recommendations to the Advisory Commission. All six projects were approved for funding by the Advisory Commission on November 14, 2022 (Table 7). To date, the Source Water Protection grant program has conserved a total of 11,803 acres of critical drinking water supply lands.

*Table 7. 2022 Calendar Year Summary of the Source Water Protection Grant Program*

Applicant	Project Name	Town and Source Protected	Population served	Total Project Cost	Trust Fund Grant (% of total cost)	Total Acres
Town of Hopkinton	Dustin	Hopkinton- The Meadows Concord Water Department <i>Contoocook River</i>	44,415	\$350,500	\$175,250 (50%)	36
Monadnock Conservancy	Goodrums Crossing	Westmoreland Cheshire County Complex: <i>Connecticut River</i>	380	\$338,894	\$155,000 (46%)	47
City of Portsmouth	Fernald	Durham Portsmouth Water Works: <i>Bellamy Reservoir</i>	33,000	\$1,478,000	\$739,000 (50%)	45
The Nature Conservancy	Tanguay	Northumberland Groveton Water System	2,650	\$545,948	\$72,363 (13%)	137
The Nature Conservancy	Whitcomb	Kingston Rowell Estates	76	\$441,000	\$138,439 (31%)	61
Upper Saco Valley Land Trust	Bun Lucy Farm	North Conway North Conway Water Precinct	5,400	\$529,000	\$264,500 (50%)	39
<b>Total</b>			<b>85,921</b>	<b>\$3,683,342</b>	<b>\$1,544,552</b>	<b>365</b>

## 4.3 DES Initiatives

### ***Water Assistance for Natural Disasters (WAND)***

The *Water Assistance for Natural Disasters (WAND)* initiative provides financial assistance to low-income homeowners with a well that has been damaged by a natural disaster, such as a flood or drought. With the certification of a licensed well driller or pump installer, the program allows for the improvement or replacement of an impacted well. The Commission approved the initiative in February 2022 with a budget of \$500,000 and also approved transfer of \$243,688 that remained in the *Emergency Drought Assistance Program (DAP)* to the newly created WAND program. An additional \$750,000 was allocated by the Commission to the program in September 2022, making a total budget of \$1.5 million. Currently, the program is not accepting applications as the State is no longer in drought or experiencing another natural disaster; however, NHDES may reopen the program should the State experience another drought or natural disaster this year.

Since the program opened, NHDES has received 66 applications to the program, of which 52 were approved for funding. Under the original Tier system, nine applicants received a 50% grant, ten an 80% grant and 33 a 100% grant to cover the costs of a new well. Due to the demand for the program, in October 2022, the WAND Subcommittee along with input from NHDES prioritized the neediest applicants and approvals were limited to those whose income fell below 50% of the State of New Hampshire's median household income for the county of residence, based on family size. Many projects are actively being completed and the estimated program balance following completion of all projects is \$486,000.

### ***NH Water Well-ness***

The Commission approved the *NH Water Well-ness Initiative* in June 2019 with a budget of \$333,278. This collaborative project between NHDES and NH Department of Health and Human Services provides free well water testing to low-income pregnant women whose drinking water comes from a private well. Participants are recruited through the federally funded, state-run Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) clinics. If participants' well water tests above the state's health standard for common well-water contaminants, they are provided with a filter pitcher, replacement cartridges, and remote support for two years.

The first year of the program was run with a pilot region in southern NH between Sept 2020-October 2021. During the first year, 16 women fully participated by sending their water samples to the lab for analysis and 6 received filter pitchers due to having contaminants above health limits. The program was rolled out to the entire state aimed at increasing enrollment in March 2022. All four NH WIC offices were trained and began enrolling participants state-wide. In the first year, approximately 30 women participated by sending their water samples to the lab for analysis and ten had contaminants above health limits and received filter pitchers.

Of the \$333,278 awarded by the Commission, \$280,250 is under contract with 120 Water and \$52,440 was allocated for water sample analysis. As of April 18, 2023, \$42,260 has been disbursed to 120 Water and \$2,500 has been spent on water sample analysis. Since 2020, a total of 46 women have enrolled in the free water testing and 16 have received water pitchers.

### ***Seacoast Private Well Initiative***

In January 2022 the Commission awarded \$289,767 to the *Seacoast Private Well Initiative*. The Seacoast Commission on Long-Term Goals and Requirements for Drinking Water and NHDES launched this

initiative to: (1) protect public health by reducing exposure to arsenic and other common contaminants in water from private wells in the seacoast region, (2) evaluate the effectiveness of this approach to protecting environmental health, and (3) promote a set of health-protective best practices for private well users statewide.

The 12 towns represented by the Seacoast Commission were divided into six sampling regions for the purpose of hosting local educational workshops for all private well owners and facilitating delivery of samples to the laboratory (Figure 3). After the workshop, participants leave with a water sample kit. Participants fill their sample bottles and deliver them to a set location, and they are delivered to the labs for analysis. Water is analyzed for common well water contaminants—including naturally occurring contaminants such as arsenic, manganese, and radon; plumbing based contaminants such as lead; and human-caused contaminants such as sodium and PFAS. Participants receive their results and a report which helps them understand any contaminants that are above health limits and provides information on treatment options.

Three workshops have been held so far, covering the towns of Madbury, North Hampton, Exeter and Stratham, with over 500 private well owners in attendance (Table 8). Water testing has also been completed for these towns, with a total of 468 households returning with their water samples; participants represent approximately 12% of the private well households in the four towns.

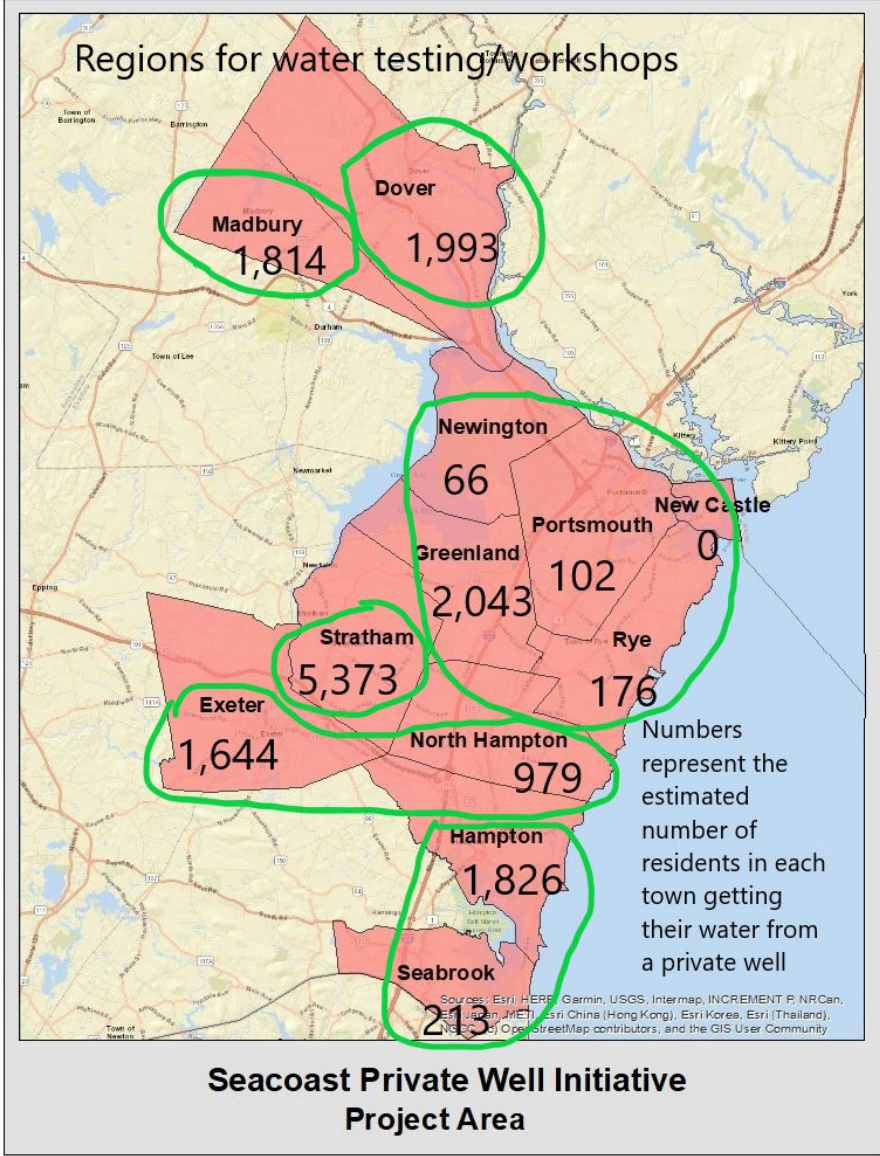
Over 1 in 3 participants’ water had arsenic levels that exceed NH health limits of 5 parts-per-billion (ppb). Radon was also prevalent with 1 in 3 participants’ water exceeding NH health limit of 2,000 pi/L. PFOA was discovered above the NH health limit in approximately 1 in 20 samples. A survey is sent 2 months after participants receive water test results. Survey responses so far indicate that within two months of learning their water had contaminant(s) above health limits, 60% have already taken action to protect themselves from contaminants, and another 30% plan to do so.

The amount approved by the Commission was \$289,767 to cover the costs of water testing for the standard analysis plus radon, and provide pitcher filters for low-income participants with contaminants. As of April 2023, \$96,000 has been spent, with \$193,676 remaining. Three workshops and water testing events will be scheduled in the fall and winter of 2023-24 to cover the six remaining towns.

*Table 8. Summary of workshops held, community participation, and water test results to date for the Seacoast Well Sampling Initiative.*

Workshop Region	Date	Attendance	Test Kits Distributed	Test Kits Returned	Samples with results above a standard			
					As	Ra	Mn	PFAS
Madbury	9/22/22	110	90	84	31	40	1	3
North Hampton and Exeter	1/11/23	116	115	108	33	26	3	6
Stratham	2/22/23	309	289	276	NA	NA	NA	NA
<b>Total</b>		<b>535</b>	<b>494</b>	<b>468</b>				

Figure 3. Map of the six sampling regions covering the 12 coastal towns that will have well water sampled in the NHDES Initiative.



### ***Consolidation Study Assistance Grants***

The Commission approved \$200,000 for the Consolidation Study Assistance Program (CSAP) in February 2021. This program provides grants up to \$10,000 for eligible water systems to evaluate the feasibility and cost-effectiveness of connecting to another community water system, to support informed decisions regarding long-term options for maintaining a safe, reliable drinking water supply. Grants can be used for an engineering analysis comparing connecting to another community water system versus treating, maintaining, and operating a system's own well sources. The program is available to community water systems that serve up to 1,000 people or non-profit, non-transient, non-community water systems (e.g., public schools), and have a source exceeding a drinking water MCL or ambient groundwater quality standard, or a documented water supply shortage. Since 2021, three studies have been completed (Newfields Village Water and Sewer District, Windmere Ridge, and Villages of Windham) and another is in progress (Rolling Ridge). Of the \$200,000 allocated for this program \$160,000 is still available.

### ***PFAS Rebate Program***

In January 2022 the Commission approved \$5.0 M to create a PFAS Rebate Program to provide a one-time rebate to assist eligible private residential well users in the purchase and installation of a treatment system designed to remove PFAS or connect to an existing public water system. Since June 2022, the program has received over 630 applications. To date, over 560 applications have been processed and approved to provide reimbursements to homeowners for the installation of treatment or connection to a public water system. Approximately \$3.0 million remains of the originally allocated \$5.0 million. The program intends to continue to provide rebates to eligible applicants until all available funds have been expended.

## 2023 Trust Fund Balance

As of December 31, 2022 the uncommitted Trust Fund balance is approximately \$108.9 million (Table 9). The balance was based on income investment earnings and repayment into the fund; expenditures paid from the fund; the obligated balance of grants, loans, and other contracts; and committed funds.

Table 9. Drinking Water and Groundwater Trust Fund cumulative summary as of December 31, 2022.

<b>BEGINNING FUND BALANCE: July 1, 2017</b>		<b>\$ 277,619,263</b>
<b>INCOME:</b>		
Investment Earnings	19,715,419	
Water Rights Reimbursements	3,042,455	
Bottled Water Refunds	(17,100)	
COVID19 Reimbursements	4,316	
Loan Repayments	6,407,366	
<b>TOTAL INCOME</b>		<b>\$ 29,152,456</b>
<b>EXPENDITURES:</b>		
Operating Expenses	6,048,321	
Loans	33,372,268	
Grants	70,183,765	
Drought Reimbursements	2,021,540	
NHDES PFAS Rebate Program	1,099,166	
2019 Legislative Disbursements	5,037,041	
<b>TOTAL EXPENDITURES</b>		<b>\$ 117,762,101</b>
<b>OBLIGATION BALANCE AS OF 12.31.22</b>		
Grants	29,192,906	
Loans	22,999,811	
Contracts	1,850,186	
<b>TOTAL OBLIGATIONS</b>		<b>\$ 54,042,903</b>
<b>BALANCE BEFORE COMMITMENTS</b>		<b>\$ 134,966,717</b>
<b>COMMITMENTS AS OF 12.31.22</b>		
2019 Legislative Commitments	1,462,959	
NHDES PFAS Rebate Program	3,900,834	
NHDES Initiatives	1,209,767	
Grants	8,574,228	
Land Grants	1,725,552	
Loans	9,212,674	
<b>TOTAL COMMITMENTS</b>		<b>\$ 26,086,014</b>
<b>BALANCE AFTER COMMITMENTS AS OF 12.31.22</b>		<b>\$ 108,880,701</b>
<b>20% of Balance</b>		<b>\$ 21,776,141</b>
<p><i>2019 Legislative Commitments represent the two appropriations made during the 2019 session. \$6M to DES and \$500,000 to DHHS-Public Health. Both agencies will be paid on a reimbursement basis. Both appropriations expire 06.30.23.</i></p>		



## 2023 Award Plan Allocations

The Commission establishes allocations for each program annually based upon review of the corpus balance provided by NHDES (Table 9). The target award spending is based on the Commission’s goals and priorities for the upcoming year and is typically set at 20% of the fund balance. For calendar year 2023, the total amount allocated for funding programs is \$21,776,141. However, the Commission reserves the right to award more or less than this amount at the Commission’s sole discretion depending on the quality and quantity of projects brought to the Trust Fund and needs of the State.

The Commission has set a target of 50% of the total allocation for the Construction Program Assistance Program as grants and 40% as loans, for projects approved under both the Annual Round and as Special Projects. The remaining 10% (\$2.18 M) would be allocated to other grants, which includes the Source Water Protection Program and NHDES Initiatives

To further the Trust Fund’s mission to protect and preserve drinking water and groundwater resources of the State, the Commission supports projects that will permanently protect undeveloped lands important for source drinking water supply. The Commission has consistently set a target award allocation of \$2 million for each annual Source Water Protection grant round.

*Table 10. Award allocation by program for 2023 calendar year. The allocations should be considered a target for spending “up to” the amounts presented and funds may be shifted as needed to the other programs.*

Program	Loan	Grant
Special Projects Assistance Program	\$8,710,456	\$10,888,070
Annual Drinking Water Construction Project Assistance Program		
Source Water Protection Grant Program	NA	\$2,000,000
NHDES Initiatives	NA	\$177,614
<b>Total Allocation for 2023</b>	<b>\$21,776,141</b>	