



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 1

1 CONGRESS STREET, SUITE 1100
BOSTON, MASSACHUSETTS 02114-2023

April 10, 2009

Darrell Smith, Chief
Drinking Water Section
CT Department of Public Health
410 Capitol Avenue – MS # 51 WAT
PO Box 340308
Hartford, CT 06106

Re: Environmentally Innovative Proposal

Dear Mr. Smith:

We are writing to you regarding the state of Connecticut's Drinking Water State Revolving Fund (DWSRF) Intended Use Plan (IUP) for the funds provided by the American Recovery and Reinvestment Act (ARRA) of 2009. While we are in support of the majority of the state's intended uses of the ARRA funds as presented in the IUP, we do not believe that the proposal for environmentally innovative projects described on page 6 and in Attachment C of the IUP is consistent with the DWSRF project eligibilities as indicated in Section 1452 of the Safe Drinking Water Act and in 40 CFR §35.3520(a)(2).

The aforementioned project involving the repair or replacement of household septic systems to protect sources of drinking water is more appropriate for funding under the state's Clean Water State Revolving Fund (CWSRF) program or under the 1452(k) authorities in the Safe Drinking Water Act for base DWSRF funds (i.e., the 15% Local Assistance set-aside of non-ARRA funds), either as loans for "voluntary, incentive-based source water protection measures" under 1452(k)(1)(A)(ii), or as "control measures" under the state's Wellhead Protection Program under 1452(k)(1)(D).

Please note that since no 1452(k) set-asides can be taken from the ARRA appropriation, any such projects funded through the *base* DWSRF program cannot be credited towards the 20% green requirement as this requirement pertains specifically to the ARRA project funds. For these reasons, the proposal must be removed from the IUP once finalized.

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If you have any questions regarding this letter, feel free to contact Mark Spinale at (617) 918-1547.

Sincerely,



Jacqueline G. LeClair, Manager
Municipal Assistance Unit

cc: Cam Walden, CT DPH
Ted Dunn, CT DPH
Mike Hage, CT DPH
Ellen Blaschinski, CT DPH